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Daily Report

Latin America

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CONTENTS

INTERNATIONAL AFFAIRS

Reportage on Nonaligned Movement Summit in Cartegena 1
Presidents To Arrive at Summit *[Santa Fe de Bogota Radio]* 1
Presidents' Arrivals Viewed *[Santa Fe de Bogota TV]* 1
Report Outlines Summit Events *[Santa Fe de Bogota TV]* 2
Colombia's Samper Opens Summit *[Santa Fe de Bogota TV]* 4
Text of Samper's Address *[Santa Fe de Bogota TV]* 4
Pardo Urges NAM To Focus on Actions *[EL TIEMPO 15 Oct]* 7
Cuba's Castro Calls For Revival of NAM *[PRENSA LATINA]* 8
Castro Addresses Summit *[Santa Fe de Bogota Radio]* 8
Venezuela's Burelli Interviewed *[Santa Fe de Bogota Radio]* 8
Nicaragua's Chamorro Addresses Summit *[Santa Fe de Bogota Radio]* 10
Italian, Moroccan Envoys on Summit *[Santa Fe de Bogota Radio]* 11
Japan Fails in Bid for Official Status *[Tokyo KYODO]* 11
Japan Boycotts NAM Over DPRK Action *[Tokyo KYODO]* 11
Malaysia's Badawi on NAM Procedures *[Kuala Lumpur BERITA HARIAN]* 12
Indonesia's Alatas on Colombia's Role *[Jakarta Radio]* 12
Indonesia's Suharto Transfers Leadership *[Jakarta ANTARA]* 13
Kuwaiti Foreign Minister Addresses Summit *[Kuwait KUNA]* 14
Mukherjee Briefs Newsmen on NAM Issues *[Delhi Radio]* 15
Pakistan's Bhutto Arrives at Summit *[Islamabad TV]* 15
Pakistan Foreign Minister Addresses Summit *[Islamabad Radio]* 15
Iraqi, Egyptian Foreign Ministers Meet *[Baghdad INA]* 16
Iranian Foreign Minister Addresses Summit *[Tehran IRNA]* 16
Syrian Vice President Speaks at NAM *[Damascus Radio]* 17
Cyprus' President Voices Support for NAM *[Nicosia CYPRUS NEWS AGENCY]* 17
Cyprus' Foreign Minister Addresses NAM *[Nicosia CYPRUS NEWS AGENCY]* 18
NAM Draft Document Notes Concern For Cuba *[Madrid EFE]* 19
NAM on 'Alternatives' to Indebtedness *[Madrid EFE]* 19
NAM Ends in 'Deadlock' on Bosnia *[Jakarta ANTARA]* 20
EU Chided for 'Scandalous' Latin America Policy *[Madrid ABC 13 Oct]* 21
EU-Mercosur Association, Border Controls Viewed *[NOTICIAS ARGENTINAS]* 22

INTER-AMERICAN AFFAIRS

Guarantors To Hold Continuous Talks With Peru, Ecuador *[EL COMERCIO 7 Oct]* 23

CARIBBEAN

Cuba

Castro Speaks at Dinner Hosted by Uruguayan President *[Havana TV]* 24
Commentary Views 'Universal Consensus' Favoring Country *[Havana Radio]* 26
Ministry Plans To Regulate, Organize Self-Employed Workers *[Havana TV]* 26
Regional Antinarcotics Meeting Held Behind Closed Doors *[Havana TV]* 26
Haitians Repatriated in New Phase of Voluntary Program *[Havana TV]* 27
Deputy Tourism Minister Notes Sector Development *[Havana Radio]* 27
Attorney General Discusses Corruption Issues *[PRENSA LATINA]* 28

BPIC Director Indamiro Restano Comments on Cuba, Castro *[EL UNIVERSAL 16 Oct]* 28
Roundup of Economic Developments Through 18 Oct *[Havana Radio, etc.]* 28

Haiti

President Convenes Special Session of Legislature *[Port-au-Prince Radio]* 30
Senators View Michel Resignation, Privatization Process *[Port-au-Prince Radio]* 30
President Highlights Land Reform at Commemorative Mass *[Port-au-Prince Radio]* 30

MEXICO

Media Reaction to NAFTA's Impact on Economy *[EL FINANCIERO 14 Oct, etc.]* 32
Secretariat Wants Details on U.S. Immigration Control Plans *[LA JORNADA 17 Oct]* 32
Zedillo Speaks Up For Indigenous Population's Rights *[NOTIMEX]* 32
Government, EZLN Delegates To Resume Peace Talks *[NOTIMEX]* 33

CENTRAL AMERICA

El Salvador

Acting President Predicts Higher Inflation *[EL DIARIO DE HOY 17 Oct]* 35
Defense Minister Views Need for Armed Forces *[LA PRENSA GRAFICA 14 Oct]* 35

Guatemala

President Views Vice President's Comments on UN Expert *[LA REPUBLICA 15 Oct]* 36
Defense Minister: Foreigners Infiltrate URNG Ranks *[PRENSA LIBRE 15 Oct]* 37
Poll Shows Presidential Preferences for Nov Elections *[SIGLO VEINTIUNO 15 Oct]* 37
Bank of Guatemala President Interviewed *[CRONICA 8 Sep]* 38
Cease-fire: Convenient Treaty *[CRONICA 8 Sep]* 39
CACIF Suit To Withdraw From Talks Rejected *[LA NACION 27 Sep]* 40
Army: URNG To Blame If Timetable Broken *[LA NACION 15 Sep]* 41
FDNG Presidential Candidate Gonzalez Interviewed *[CRONICA 8 Sep]* 42
Economy Versus Environment *[CRONICA 8 Sep]* 44

Nicaragua

Government Submits 1996 Draft Budget to Assembly *[Managua TV]* 44

Panama

President: Report on Talks With U.S. on Bases 'False' *[LA PRENSA 18 Oct]* 45
Legislative Assembly To Join Internet 'Next Week' *[LA ESTRELLA DE PANAMA 14 Oct]* ... 46

SOUTH AMERICA

Argentina

Menem Promulgates Patents Law 18 Oct *[TELAM]* 47
'Positive Results' Expected of Ibero-American Cuba Stance *[LA NACION 18 Oct]* 47

Brazil

Spanish Prime Minister Arrives 18 Oct, Meets With Cardoso *[Rio de Janeiro TV]* 48
Cardoso Lauds Gonzalez Visit *[Brasilia Radio]* 48
Amendment To Enable President To Send Troops Abroad *[FOLHA DE SAO PAULO 12 Oct]* 49
Senate Gives Bill Ending Oil Monopoly Preliminary Approval *[Brasilia Radio]* 49

Cardoso Seeks Mexican Solidarity on Car Import Quotas *[AGENCIA ESTADO]* 50
Workers Party President Interviewed *[O ESTADO DE SAO PAULO 15 Oct]* 50
Roundup of Economic Reports Through 18 Oct *[AGENCIA ESTADO, etc.]* 52

Chile

Article Views First Ladies' Friendship *[HOY 16-22 Oct]* 53
Chances for Fast Track Approval 'Considerably' Increased *[EL MERCURIO 13 Oct]* 55
Visiting Singaporean Foreign Minister Discusses Trade *[EL MERCURIO 11 Oct]* 56
Finance Minister Holds News Conference on Development *[EL MERCURIO 13 Oct]* 56
New Air Force Commander Interviewed *[EL MERCURIO 1 Oct]* 57
Deputies Studying Impeachment Proceedings Against Insulza *[Santiago TV]* 61
Opposition Blames Government for Laguna Del Desierto Ruling *[EL MERCURIO 15 Oct]* 61
Gen. Stange Interviewed on Resignation From Carabineros *[LA TERCERA DE LA HORA 8 Oct]* 62

Colombia

President Rules Out Possibility of Coup d'Etat *[Santa Fe de Bogota Radio]* 63
Internal Disturbance Decree Declared 'Unconstitutional' *[Santa Fe de Bogota TV]* 63
Samper: Political Situation Not Negative for Economy *[EL TIEMPO 15 Oct]* 63
President Unveils National Anti-Drug Plan *[EL TIEMPO 11 Oct]* 63
Effect of Drug Trade on Economy Described *[EL TIEMPO 9 Oct]* 65

Ecuador

Events Linked to Election of New Vice President Viewed 67
President Proposes Candidates *[Quito Radio]* 67
President's 'Fear' of Arrest *[Madrid EFE]* 67
Congress Designates New Vice President *[Madrid EFE]* 67
Results of Voting Reported *[Quito Radio]* 68
Oil Workers Mobilize for Suspension of Privatization Program 68
Offices of News Agencies Occupied *[Quito Radio]* 68
Petroecuador Building Seized *[Madrid EFE]* 68
Strike Called *[Madrid EFE]* 69

Paraguay

Mrs. Clinton's 'First Ladies' Conference Speech Viewed 69
'Essential' Role of First Ladies *[NOTICIAS 18 Oct]* 69
Praises Wasmosy Administration *[ABC COLOR 18 Oct]* 70
Proposes 'Three-Point Agenda' *[ABC COLOR 18 Oct]* 70
Indigenous Community Asks Mrs. Clinton for Help *[ULTIMA HORA 17 Oct]* 70

Uruguay

Portuguese President, Sanguinetti on Bilateral Relations *[Madrid EFE]* 71

Venezuela

Guyanese President Meets Caldera, Vows To Strengthen Ties *[Caracas TV]* 71
Interior Minister: 70 Percent Reject Idea of Coup *[Caracas TV]* 71
Roundup of Economic Developments Through 17 Oct *[ECONOMIA HOY 10 Oct, etc.]* 72
Caldera Praises Armed Forces' Role in Strengthening Peace *[Caracas TV]* 72

French Guiana

Ariane Rocket Places Luxembourg Satellite Into Orbit *[AFP]* 72

Reportage on Nonaligned Movement Summit in Cartegena

Presidents To Arrive at Summit

PA1710143195 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Oct 95

[From "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] [Reporter Fabio Callejas] The presidents of the Latin American countries who will attend the Nonaligned Movement [NAM] Summit will begin arriving from 2000-2200 this evening. They will be arriving in this order: Chile, Costa Rica, Ecuador, Mexico, Cuba, Panama, Bolivia, and others. President Ernesto Samper Pizano will arrive from Argentina at the Rafael Nunez International Airport at approximately 2100, accompanied by two presidents, Costa Rican President Jose Maria Figueres and Nicaraguan President Violeta Barrios de Chamorro.

[First unidentified reporter] Colombia is heading the NAM countries and has taken over the NAM presidency. The foreign minister has been heard loud and clear at the summit during sessions and meetings of foreign ministers:

[Begin Colombian Foreign Minister Rodrigo Pardo recording] Factors of concern to our peoples that require joint efforts among us are: neo-interventionist practices; the increase of poverty; the monopoly of scientific and technological breakthroughs; neo-protectionism of industrialized nations; the reemergence of nationalism; resumption of nuclear threats; destruction of the environment; the [words indistinct]. [end recording]

[Callejas] Francesco Paolo Fulci, Italian ambassador to the United Nations, has said the nonaligned countries will be able to make the reforms they want and have great possibility of success because of their number if they are united. In conclusion, he has commended Colombia for organizing the 11th summit in Cartagena and has said the summit will be an example not just for Latin America but the entire world.

[Second unidentified reporter] Meanwhile, The foreign ministers meeting here in a first session have decided to urge the United States to end the economic, commercial, and financial measures against Cuba, because they counter the UN Charter and international law. This document is a kind of draft to be submitted for the consideration of the presidents who will arrive today. It will call on the major industrialized powers to share the cost of the war on drugs and strive to lower consumption.

It is felt that the enormous foreign debt of almost $2 trillion the nonaligned countries have is one of the fundamental problems of these nations. The document harshly condemns nuclear tests and urges nations to sign a world treaty banning them. It calls for the democratization of the UN Security Council with the representation of developing countries. In addition, it pleas for solidarity in favor of free trade, access to the markets of industrialized nations, and scientific and technological transfers.

Presidents' Arrivals Viewed

PA1810192295 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 18 Oct 95

[Report by Alfredo Bustillo; from the "Colombia 12:30" newscast]

[FBIS Translated Text] The main player of news here in Cartagena was PLO Chairman Yasser Arafat, who arrived this morning in Cartagena in the middle of an impressive security entourage, the largest in the summit. His arrival was expected last night but, given security reasons, it was changed to this morning.

Arafat and Cuban President Fidel Castro have been the leaders most anxiously awaited by the national and international press. And at last, they set foot on Colombian soil. Alfredo Bustillo was with them.

[Bustillo] Thank you very much. The latest presidents to arrive last night were President Samper and his counterparts from Costa Rica, Cuba, and Nicaragua. As is customary, attention centered on the steps and words of Fidel Castro, who on this occasion was less expressive in his statements, perhaps because he was wearing a suit and tie.

He was expected to arrive wearing a sports shirt [guayabera] like three years ago when, upon attending the Ibero-American Summit, he revealed his Perestroyka attitude for dressing. However, he surprised us all again. The suit and tie only made him uncomfortable when it was impossible for him to withstand the heat at the greetings ceremony.

Breaking the protocol, Castro was received by Colombian Nobel Prize laureate Garcia Marquez. He answered five questions from the press. He expressed optimism over the summit results.

[Begin recording] [Unidentified reporter] Do you believe there will be [words indistinct] to protest against the blockade on Cuba.

[Castro] Well, partly yes. This is also one of many other problems. [end recording]

[Bustillo] Despite being asked about the blockade against the island, he preferred not to talk much.

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However, he appeared to be pleased over what appears to be a fact, the rejection to the U.S. intervention will be unanimously approved at the summit.

Aboard the Colombian plane from the Bariloche Summit, the Nicaraguan president arrived in Cartagena. Apparently, there is a preliminary agreement on the border dispute with our country. It appears President Samper convinced her during the trip to discuss directly the case of San Andres y Providencia Archipelago, because immediately after the plane touched down, she disavowed the deputy foreign minister of her country who minutes before stated the issue would be discussed only at The Hague Court.

[Begin Chamorro recording] I repeat, problems are resolved through dialogue. I have not said anything about that. [end recording]

Additionally, upon arriving in Cartagena, the president of Costa Rica, who is disliked by Arab nations for having his country's embassy in Jerusalem, insisted he does not want to cause a rift within the movement. He added he only wants that the possibility of Costa Rica's joining the Nonaligned Movement be studied as a real peace proposal.

Report Outlines Summit Events

PA1710044795 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0130 GMT 17 Oct 95

[Passages within quotation marks recorded; speakers identified by caption; from the "AM/PM Newscast"]

[FBIS Translated Text] [Announcer Ana Cristina Bueno] The meeting of foreign relations ministers of the nonaligned countries started in Cartagena on 16 October. Margarita Meza, Hollman Morris, and Olga Helena Fernandez have the story. Good evening, Margarita.

[Meza] Good evening, Ana Cristina. The temperature of the summit increased in Cartagena. The decision is up to the foreign ministers. Certain presidents have already arrived, and the city is swarming with reporters.

[Morris] Nicaraguan Deputy Foreign Minister Jose Pallais arrived in Colombia creating a controversy. Once in Cartagena, he continued to insist that San Andres Island belongs to the Nicaraguan people.

[Pallais] "Colombia arbitrarily intends to take over 130,000 square km of maritime space. The San Andres and Providencia conflict emerged from the treaty that was signed when our country was under a military siege, thus constituting a violation."

[First unidentified reporter] "What do you mean by arbitrarily, Mr. Foreign Minister?"

[Pallais] "It does not have any legal foundation whatsoever. It is a unilateral decision lacking legal contents."

[Morris] Colombian Foreign Minister Rodrigo Pardo said Pallais' statements had little significance. This low blow is understandable because, for as long as Pallais is in front of a microphone, he will always say the same thing about an issue that has ended for Colombia: San Andres belongs to Colombia.

[Pardo] "Well, this issue, as well as all the other issues that are part of Colombian foreign policies — bilateral and local issues — are obviously running their courses within the mechanisms that are already well known and the decisions that I have made fully public."

[Morris] In a summit where such issues as the nuclear race, the Bosnian situation, and the world economic differences are discussed, certain people believe that Colombia's paying attention to this type of statements is like wasting one's efforts. However, who will silence Pallais?

Most foreign ministers of the Nonaligned Movement [NAM] arrived in Cartagena on 16 October, thus beginning the second phase of this meeting.

The foreign ministers have so far approved the document their experts drafted and have devoted themselves to operational issues. They elected and agreed on the 22 [number as heard] vice presidents of the summit: Gabon, which represents Africa; Syria, Asia; Nicaragua, Latin America; and Cyprus; Europe. They will respond to President Ernesto Samper's proposal on 18 October.

In the political arena, the Arabs are voicing strong opposition to Costa Rica's entry into NAM. The reason: the Central American nation has an embassy in Jerusalem.

The Cuban case will get a special attention. The NAM will protest over the U.S. economic embargo on the island and also over the use of nuclear weapons.

[Egyptian Foreign Minister Amr' Musa] "We have to take serious measures to prevent the proliferation of nuclear weapons, taking into consideration the conflicting world in which we live."

[Morris] Meanwhile, in the opening speech of the ministers' meeting, Colombia stressed that the unilateral solutions to the drug issue are unfair and inefficient, unless the coresponsibility principle is widely accpeted.

[UN Ambassador Julio Londono Paredes] "I believe that the NAM supports this issue, which is one of the issues that has been already analyzed and which will be presented to the chiefs of state's meeting in due time."

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[Morris] In addition, Colombia continues to insist on imposing on the world the alternative development model for poor communities, which is compatible with the proposals made at the Copenhagen world development summit.

There are three days of summit, and one of its founders and main protagonists in other times did not come and will not come: Yugoslavia, which has been vetoed by the NAM's Muslim bloc.

[Fernandez] The paradox lies in the fact that, while Yugoslavia, one of NAM founders, could not come, Bosnia, its worst enemy, is already in Cartagena, and we talked to the Bosnian ambassador.

They lived together for more than 60 years without having anything in common. However, their wish for independence did away with what was formerly known as Yugoslavia. Of the subregions forming Yugoslavia, only two remain: Serbia and Montenegro, which the NAM does not accept now. On the other hand, Bosnia, a new nation that emerged from the former Yugoslavia and is mostly formed by Muslims and [word indistinct] its ambassador may understand that the end of this war is very, very far away. This is why the only thing we can expect is for them to tolerate one another.

[Iven Mitchen, Bosnian ambassador to United Nations] "Following this war, it will be impossible to live together again [words indistinct] we must respect one another's frame of mind."

[Fernandez] Until next week, the NAM presidents will be deciding if they will allow Bosnia to join the NAM or not.

[Meza] This is but one of the details showing the power the Muslim world has, which constitutes one half of the NAM.

The 1.2 billion nonaligned Muslims feel [words indistinct] against the Western culture, which is trying to absorb everything. This fourth of humanity, among whom we have to count the 350 million Arabs, cannot understand the morals, the life-styles, and the family structure of this side of the world. This is why they do not understand the women's role in this land.

[Public relations expert Sonia Gedeon] "The truth is that for them, we women are impure. This is why we cannot shake hands or socialize with them. They asked us if we could get 10 men, instead of women, because there are many women working in the hotel."

[Meza] It does not matter how many languagges we speak, how many races there are, what geographical elements limit them, or whether they are more suceptible or not to Western fashions; they have their own philosophy and way of life: Islam. If the Western hemisphere intends to destroy their sacred culture, they will know how to defend themselves with the Koran in hand, even by taking the offensive or by jihad. If the Muslims decide to fight for their sacred values, the world will tremble, because any issue can be negotiated, except a Muslim dogma.

[Fernandez] It is estimated that, at this summit, there are 30 reporters for each one of the heads of state. This is why the world's newsmen ended up holding a parallel summit, which is also generating views.

The first criticism of the summit is the lack of news, which makes us doubt whether it is because of the excess of confidentiality or because nothing new is coming out of the summit itself.

[Cuban reporter Fausto Triana] [passage indistinct]

[Fernandez] In addition, the reporters agreed that the NAM members are working against the clock: either they will remain together as a group or the movement will end up losing the reason for its existence.

[South Korean reporter Cho Yi] "[words indistinct] have to seek other issues, other objectives."

[Fernandez] Maybe it is the most critical time for the NAM; our reporters could be witnessing a historic event.

[Pakistani Reporter Asad Nasad, in English with superimposed Sapnish translation] "Yes, this is a historic time for the NAM."

[Fernandez] However, they doubted Colombia's ability to lead the group.

[Triana] "How will Colombia be able to head the movement? It is facing a very delicate internal situation."

[Fernandez] Once the summit ends, we will know if the abundance of journalists was worth it.

Now we have other newsworthy events of the summit.

[First unidentified reporter] Indonesian President Soeharto will transfer his NAM office to Colombia beginning on 18 October. This will be his office at the Cartagena Conventions Center.

[Second unidentified reporter] The big question is why the Pakistanis do not turn the air conditioner on despite the Cartagena heat. Every time we ask them, they not only do not answer, but also show their discomfort with what seems to be an impertinence. Why?

[Third unidentified reporter] Foreign correspondents had a great deal of fun last night as they slept in Cartagena streets. They came and saw but did not report, which made them have long faces.

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[Meza] The time for Colombia to prove if it is prepared to lead the NAM in its new phase has arrived. We will report more on 21 October from Cartagena. Good evening.

Colombia's Samper Opens Summit

PA1810191995 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 1730 GMT 17 Oct 95

[From the "Colombia 12:30" newscast]

[FBIS Translated Text] The 11th meeting of nonaligned countries began at the Convention Center in Cartagena amid rain today. The presidents and representatives of the nonaligned countries arrived slowly. Music was provided by the War Band of the National Navy and went on forever.

Members of the Colombian protocol office and President Ernesto Samper and his wife shook hands with each one of these people. The president of the Republic had to shake hands 120 times more or less. The formal inauguration began at 1025.

Welcome to the land where dreams become realities; this is how President Samper began his speech in which he addressed the presidents of the nonaligned countries during the inauguration of the summit. He also recognized Indonesia for the role it played for the last three years.

Samper said the end of the Cold War did not mark the end of the Nonaligned Movement but, rather, the beginning of a new division in the world. New barriers obstructing the progress of these countries have been lifted. According to Samper, the reason behind the movement is to overcome these obstacles through solidarity:

[Begin Samper recording] Cooperation among developing nations of the world is not an option; it is a necessity if we want to play a role in the world, especially if we want to survive as nations. Confrontation is an outdated and useless practice that must be replaced by a more realistic, pragmatic, and efficient practice, such as international cooperation. [end recording]

President Samper added that it is ethically imperative for nonaligned countries to fight drug trafficking.

Text of Samper's Address

PA1910045095 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0033 GMT 19 Oct 95

[Address by Colombian President Ernesto Samper Pizano opening the 11th Nonaligned Movement Summit at the Convention Center in Cartagena de Indias on 18 October — recorded]

[FBIS Translated Text] Your Excellency Indonesian President and outgoing Nonaligned Movement [NAM] president Suharto, Messrs. Excellencies heads of state and government of the NAM countries, majesties, Your Excellency UN Secretary General Butrus-Ghali, Your Excellency OAS Secretary General Cesar Gaviria, Messrs Excellencies heads of observer delegations and guests of NAM countries, Messrs. Excellencies former presidents of the Republic of Colombia, and Messrs. Excellencies ministers. Your Excellency Julio Cesar Guerra Tulena, president of the honorable Colombian Congress; Your Excellency Rodrigo Rivera, president of the honorable Chamber of Deputies of Colombia; Messrs. Excellency Minister of Foreign Relations of the Republic of Colombia; Your Excellency Senator Jorge Cristo, president of the Foreign Relations Commission of the honorable Senate of the Republic; Your Excellency Luis Fernando Duque, president of the Foreign Relations Commission of the honorable Chamber of Deputies of Colombia; Messrs. delegates; ladies and gentlemen.

Welcome to Cartagena, humanity's historic heritage; welcome to the Caribbean and to Colombia — to Colombia, a land where dreams come true, or better, a land in which dreams herald future events. We hope that after this meeting, the dreams for which NAM has always worked — peace, justice, and a balance in international relations — come true in the coming years. Welcome too to this always young, dynamic, and enthusiastic Latin America where we breathe an air of optimism and which makes paradise a possibility. Welcome to Colombia, a country whose persistent search for peace has turned it internationally into a declared friend of tolerance as the only valid path to ensure the peaceful coexistence between peoples.

I want to publicly recognize Indonesia's leadership and coordination during the past few years as the NAM president. President Suharto's work was, without a doubt, a decisive factor for the modernization of the Movement's ideas and methods of action. Thanks to Indonesia's commitment, today we are have a movement more active in world affairs and one which managed to overcome the difficult obstacles that were witnessed at the Jakarta summit.

The walls of this old city of Cartagena, will, during the next few days, be the backdrop of the deliberations that will lead us to confirm the principles and ideals of nonalignment. These principles and ideals, just as this city's invulnerable fortifications, continue to be the best

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defense that we have against current world injustices and violence.

Many people have asked me over this past year what the reason is for maintaining the movement in view of the fact that the justification for nonalignment ceased to exist with the end of the Cold War. I have told these same people that it is the contrary.

The end of the barriers that separated two worlds that were divided based on ideologies marked the beginning of a new division of the world, a division characterized by the emergence of new barriers that block our countries' possibilities for progress: noncustom trade barriers that prevent our products from having access to the big markets; technological barriers that keep us away from scientific progress and knowledge; financial barriers that limit equitable credit possibilities; and information barriers that have placed in the hands of a few people information on what happens to many people.

Today, like yesterday, the reason for the existence of the new alignment, is to overcome all barriers through solidarity. Our challenge today, as it was yesterday, is to join efforts to continue searching for the ideal of being free, free from technological dependency — which is creating in the developing world a dangerous kind of technological apartheid — free from the dictatorship of backwardness, which is the worst kind of dictatorship.

In Colombia, we are putting the economy at the service of the people. We identify with the idea of President Suharto when he stated at the Jakarta summit that, quote, national development must be centered on the people, must belong to the people, and must exist because of the people and for the people.

We firmly believe that the center of our movement must be the people. For the NAM to be stronger, more legitimate, and more democratic, it must get closer to the people. The citizens of all our countries must be the protagonists of nonalignment at the end of the century and at the beginning of the new millennium.

The objective of our movement must be human well-being. Our political efforts must now be directed at putting an end to poverty just like when we put an end to apartheid and weakened colonialism.

Our countries have responded to the globalization of the world's economy with liberalization measures that to a greater or lesser extent have moved us closer to the reality of the world market.

However, we have seen that neither the protectionism of 30 years ago, nor the neoliberalism of the past 10 years have been able to bring more bread to the tables of our people or more calm to our international relations.

In our struggle against growing poverty, we have to begin fighting within countries that which we so much denounce at the international level. We need an alternate development model in line with our limitations and our possibilities, a new model for a new South, an alternate model that should allow us to be competitive without failing to invest in the people, adequately combining the two magic words of the next century: competitiveness and equity.

We need an alternative model that also enables us to create a new citizen, one who is prepared to tackle the difficult challenges of the 21st century. We need a new citizen who will participate more in the political area; who will be more productive in the economic area; more stable in the social area; more committed to defend his environment; and more universal in his ideas of peace. We need an alternative model based on the new concept of the state that fights corruption and that works properly, irrespective of its size.

We know that economic development and the fight against poverty also require that the practice of free trade becomes a reality. Despite the progress made by a world free of trade barriers and the creation of an organization for free trade, a harmful neoprotectionist trend looms over the world like a ghost. We have the same problem with free trade that we have with paradise: Even though we know that we will get there, no one wants to get there yet. This is being evinced by dozens of tariff, administrative, customs, and plant and animal health restrictions that currently prevent the free access of our products into the more profitable markets of the wealthiest countries.

The fight against neoprotectionism must unite the countries in the South, because this is the true fight for the possibilities to improve the living standards of our peoples. Never before had it been so clear that the challenges posed by the new international order cannot be met separately. Our incorporation into the world cannot remain a solitary and suicidal adventure.

The consolidation of our democracies is inevitably linked to our capacity and our resolve to cooperate and understand one another. The challenges that lie ahead of us are even more complex than those we were able to face and overcome in the Cold War period. We have gone from living in a world that was conceived as being ideologically divided into black and white to living in a multicolored world, which demands from us the ability to visualize complex solutions.

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Cooperation among the developing countries is not an option. Cooperation is indispensable, not only for us to play a role in the world scenario, but particularly for us to survive as nations. Confrontation is an anachronistic and fruitless practice, which must be replaced by international cooperation — a more realistic, practical, and effective instrument. Our own solidarity is the best weapon we can wield against the interventionism of the powerful nations.

That solidarity must be manifested in the search for new global scenarios of concerted effort that will replace the obsolete, closed spaces of the Cold War and that prevent the segmentation of the world into economic blocs. As occurred 40 years ago, the movement must continue focusing on the search for peace in the world.

We must concentrate all of our energy on construction and not destruction, on creation and not elimination, on life and not death. We must always remember than the Movement was born when we decided that we did not want to form part of a struggle that was not our struggle; it was the struggle of the superpowers.

Today, more than ever before, the decalogue outlined in Bandung in 1955 is valid. Our challenge today is to use those permanent principles as a basis and design a new interpretation of our commitment and include it into a new work agenda for the Movement, an agenda of modernization. To modernize does not mean to abandon the principles that inspired the Movement. To modernize means to progress from good intentions to specific actions. To modernize means to develop the capacity to plan for the future. To modernize means — as President Mubarak said in Cairo — to accept flexibility as part of the nature of our Movement. To modernize means to develop a movement that will not not just react, but one that will propose things. It must be a movement that will pull like a locomotive instead of being dragged like a wagon by the force of circumstances. It must be a movement that will anticipate conflicts and will have answers to tomorrow's questions.

What are our answers to the environmental crisis, to the danger of the spread of drugs in the world, to the outbreaks of arms races, to the neoliberal excesses? That is the key, the key to the future of nonalignment.

The environmental crisis concerns all of us; the changes in weather, desertification, the depletion of natural resources, and the destruction of our biological diversity are harming us very much. When we dry out a source of water, when we cut down a tree or we kill an animal, we are destroying possibilities of life for our children and grandchildren.

Sustainable development, which has been attained on a multilateral basis, and the protection of biodiversity should become goals for the Movement. The Nonaligned Movement should also be concerned with transnational crimes, which is increasingly becoming a more serious threat to mankind.

Drug trafficking is a multinational problem that requires, accordingly, a multinational solution. As long as the high consumption level that exists in the United States, Europe, and Asia is maintained, it will be difficult to have successful supply- reduction programs. As long as there is tolerance of money laundering and the detouring of chemical agents, whatever success is achieved to check drug production, it will be only of a momentary nature and will be barely mirrored in changes in prices, routes, and production sites.

Our commitment to put an end to drug trafficking is an ethical requirement to prevent the youth of the world from becoming poisoned, to deplete the source of corruption that is generated from its impressive profits, to shake off the workings of the mafias from our justice system.

The same thing could be said about disarmament. Forty years ago, the founders of the NAM launched a great political action against the arms race, which at that time was stimulated by the Cold War. The funds that are being spent on arms production in a world that is supposedly advancing toward peace following the end of the bipolar confrontation, are funds that are urgently needed to ease hunger and thirst, to vaccinate children, to protect our waters and forests, and so the South will have access to science and technology.

In truth, many of the issues that concern the countries of the South require us to have an adequate multilateral mechanism for its treatment. The reform of the United Nations is essential so it may respond to the historical challenge it will face. What the developing nations expect from this reform is that the United Nations represents today's world, a world with 185 countries with serious problems and great injustices. What we want is a democratization of the UN's mechanisms and procedures.

We should also reflect on issues that are very pertinent to our times and which negatively affect our countries, for example, the right to information. The most serious conflicts and the most distressing issues are those that appear instantaneously on screens throughout the world. However, the same does not occur with regard to the situation of millions of human beings, which for a number of reasons do not appear in the global village's media. The world is being shaped from the perspective of the North, and its behavior is based on

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this perspective. The wealth of the NAM lies in its diversity and pluralism. Your rich differences should not be a reason for conflict, but a reason for agreement, because they represent opportunities for cooperation and solidarity, and not reasons for misunderstanding. Our differences are the best material for building a new identity for the developing world based on a culture of tolerance and cooperation. During the next three years, Colombia will work without pause or rest to convert the ideals of the NAM into reality. To achieve this, we will use the only weapon available to us: rounds of solidarity and rifles of cooperation. The times in which were are living are not the best of times, but they are our times. In these times, we can choose the possibility of writing our own history or we can let others write it for us. On our labor will depend whether the next few years will become the time for the people of the South. A people who have the right not to be aligned with poverty, suffering, pollution, drugs, oppression, or dictatorships. In the name of the millions of citizens of the world who deserve, as our Nobel Prize laureate Gabriel Garcia Marquez, who is present here, has said: a new opportunity for life on earth, I welcome you again to the land of magic and hope, which Christopher Columbus discovered 500 years ago. Thank you very much.

Pardo Urges NAM To Focus on Actions

PA1810132795 Santa Fe de Bogota EL TIEMPO in Spanish 15 Oct 95 p 9A

[Report by Rosario Melendez]

[FBIS Translated Text] While inaugurating the meeting of ranking officials of the Nonaligned Movement [NAM], Foreign Minister Rodrigo Pardo Garcia-Pena urged the more than 400 international participants to get past the rhetoric and focus on promoting actions where effective results at the political, social, and economic level may be forecast for the benefit of their nations.

"We believe that the current international situation presents before us a great opportunity to join efforts, seeking prosperity, progress, and peace through cooperation and consensus," he said.

To achieve that, the foreign minister stressed, it becomes necessary to define goals, reassess experiences, and revitalize and organize the NAM mechanisms, in order to get started on a path that proposes initiatives and consolidates the movement.

"The NAM's numerical force, cultural and ethnic wealth, rich economic resources, social, political, and cultural diversity, pluralism, and tolerance are essential factors for the continuation of its tasks, and to achieve that at the end of this presidential term, the member countries must show the international community the viability of the purposes and programs of this movement for the sake of equitable and sustained development, peace, and international security for all peoples and all the regions of the globe," he said.

During the meeting that concludes today at the Barahona Hotel of the International Conventions Center in Cartagena de Indias, informal groups were set up, which will hold ample discussions on topics of a political and economic nature.

Today, they will continue analyzing topics of these two areas in order to prepare the final document, the speeches by the presidents, the inclusion or discussion of the topics, and the participation of those in attendance.

The foreign ministers, in turn, also created informal commissions to analyze the economy, politics, the current international situation, poverty, drug trafficking, nuclear tests, inequality, immigrations, the abuse of science and technology, education, and cooperation.

At the beginning of the meeting, amid a climate of cordiality and camaraderie, Pardo Garcia-Pena described as excellent the task performed by the Indonesian government in its role of NAM president. "His leadership and determination have been fundamental in the achievements of these past years."

The Colombian official said that "promoting and implementing the founding objectives and principles of the NAM must continue regardless of the characteristics and composition of the international system. The search for justice, equality, and opportunities for all is a goal that has not been achieved yet and toward which the NAM must work together."

With regard to the new phase that begins for the movement, he said that it has the capacity to propose and undertake new programs among the different nations of the continents. He added that Colombia is prepared to face this challenge in a responsible and serious manner and urged the member countries to help achieve the consolidation of a more equitable and fair order.

Finally, Pardo Garcia-Pena asked that the Cartagena Declaration — besides being the navigational chart for the next three years — imply the adoption of solid commitments that the NAM will try to defend and promote with the intention of showing the international community the solidness of its decisions and the political commitment to uphold them.

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Cuba's Castro Calls For Revival of NAM

PA1810050295 Havana PRENSA LATINA in Spanish 0424 GMT 18 Oct 95

[FBIS Translated Text] Cartagena de Indias, 17 Oct (PL) — On arriving at the headquarters of the 11th Summit Conference of the Nonaligned Movement [NAM], Cuban President Fidel Castro said here this evening that he expects a revival of the Movement.

The Cuban leader arrived shortly after 2200 at the Santa Clara Hotel where he will stay during the days the summit is in session.

During a brief encounter with the media, Fidel Castro characterized the results of his stay in Uruguay and those of the Fifth Ibero-American Summit, which was closed today in Bariloche, Argentina, as excellent.

Gabriel Garcia Marquez, Nobel Literature Prize winner who was present at the welcome ceremony, also went to the Santa Clara Hotel, which is located in the historical sector of the city.

The Cuban president was accompanied by Foreign Minister Roberto Robaina and by Economy and Planning Minister Jose Luis Rodriguez, among others.

The 11th NAM Summit begins tomorrow in this city with speeches by Indonesian President Soeharto, who will turn the three-year leadership of the group over to Colombian President Ernesto Samper who will also speak.

Castro Addresses Summit

PA1810233395 Santa Fe de Bogota Emisoras Caracol Network in Spanish 2130 GMT 18 Oct 95

[Speech by Cuban President Fidel Castro at the 11th Nonaligned Movement Summit in Cartagena de Indias, Colombia; broadcast in progress — live relay]

[FBIS Translated Text] ...later, there are the Security Council meetings, where the main sellers of weapons are the permanent members who will bring about peace on behalf of the United Nations. Could it be perhaps that the end of the Cold War has come to mean that the huge amount of resources destined for the arms race are being used for more noble purposes?

The U.S. Congress approves military budgets that are higher than those proposed by the U.S. Government. What are these weapons for? Could it be that the emergence of a unipolar world has accentuated hegemonic tendencies, which some are trying to impose on the United Nations? There is an attempt to impose the will of this hegemonic power on the Security Council and use it as an instrument to enslave the world.

That policy is more worrisome and even dangerous when it is implemented according to the stands of the ultrarightist sectors, which seem to be winning political ground in the United States. That is how fanatic dreams arose in Nazi Germany to impose its control on the world, with the exception that Hitler did not have such huge power.

In the face of this danger and other evils that threaten us, it is our duty to struggle with determination to democratize the United Nations. The General Assembly should occupy the position that corresponds to it; the Security Council should stop usurping the Assembly's functions and acting behind its back. The privilege of being a permanent member should not be almost exclusive to European countries, nuclear powers, or super rich nations.

We must not hesitate; let us struggle with determination so that two permanent seats are granted in an expanded Security Council to Latin America, two to Africa — which does not have any — and two more seats to Asia, where 60 percent of the world population lives. The irritating veto privilege — if that anachronistic and antidemocratic instrument is to continue to exist — should at least be reformed. It is absurd that one single country of the few who enjoy those seats can cancel out the will and even the decisions of all the other countries that make up the United Nations.

United, we are strong. United, our voice will be heard. United, we have to be taken into consideration. We are not mere spectators. This world is also our world. Nobody can replace our united action. Nobody will speak for us. Only we, and only if we are united, can reject the unjust world political and economic order that some are trying to impose on our people. Our demands today will not be granted at a whim. It will not be the concessions granted to those who exploit us, or the weakness of the cowards, or to stop struggling for our most sacred and legitimate rights that will take us to victory. Only loyalty to the principles that gave birth to our movement, firmness in our convictions, and our joint decisions and actions will lead us to conquer the future that our people deserve. Thank you very much.

Venezuela's Burelli Interviewed

PA1810163195 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 18 Oct 95

[Interview with Venezuela's Foreign Minister Miguel Angel Burelli Rivas, in Cartagena, by Caracol news director Dario Arizmendi, in Santa Fe de Bogota, on

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18 October; from "Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] At 0703 we greet and welcome Venezuelan Foreign Minister Miguel Angel Burelli Rivas, who is already in Cartagena to attend, beginning at 0830, the opening of the 11th Summit of Nonaligned Movement [NAM] countries. Good morning, Mr. Foreign Minister.

[Burelli] Good morning.

[Arizmendi] How do you find things here in the city of Cartagena?

[Burelli] I have not had the opportunity to know how things are because I arrived in Cartagena late last night. I have not come out, but from what I hear on Emisoras Caracol Network everything is very well organized.

[Arizmendi] Mr. Foreign Minister, what are the real reasons for President Rafael Caldera's absence from this summit?

[Burelli] There are two reasons: First, he must request permission to leave the country each time he plans to travel out of the country and sometimes this takes time when the Chambers are not working. He must again request permission to travel to the United Nations. He has promised he will go there, because even his wife is now in the United States. He will also travel to Argentina early next month. The second reason is that cyclically in Venezuela in early October, when the new university budget is presented — given the fact that the university is autonomous and [words indistinct] more resources each year and not all its requests can be granted — student disturbances break out. That is why neither the president nor the minister of education went to the Bariloche Summit, nor were they prepared to come to Cartagena, as they would have liked.

[Arizmendi] Mr. Foreign Minister, with all due respect, does this mean President Caldera keeps all control in his hands? Doesn't he have the authority to delegate the handling of internal situations like student disturbances?

[Burelli] I don't think so because the problem is that he has not been authorized to leave the country. And I would think that when there are disturbances the head of state should not be out of the country.

[Arizmendi] If disturbances erupted just prior to the scheduled trip by President Caldera to Argentina, would this trip be canceled?

[Burelli] I think that the situation is pretty much under control because this happens every year. Every year there are disturbances, burning of vehicles, marches to Congress, and hooded individuals take advantage of this. In sum, this is a never-ending story in our country.

[Arizmendi] Isn't it a shame that despite being an important country in Latin America and also in the world, Venezuela is absent from such important forums like the Ibero-American Presidential Summit in Bariloche and now the NAM Summit here in Cartagena.

[Burelli] I expressed this to all those participating in the above events. But this happens and is not something isolated. Generally, there are always absences from this type of event.

[Arizmendi] There has been a lot of speculation about the state of health of the Venezuelan president, Mr. Foreign Minister.

[Burelli] This has happened ever since he took office. I wish you and I could be as healthy as he is.

[Arizmendi] He has always been strong and energetic, with an impressive strength.

[Burelli] He drinks a triple cup of coffee to go to sleep. He eats just about everything and has more stamina than any youth.

[Arizmendi] Are we on the verge of the adoption of fundamental economic measures in your country?

[Burelli] We are negotiating at this time an agreement with the IMF and the World Bank to arrive at an arrangement that will allow us to face the financial commitments of the Republic. And I believe this process will conclude within a few days.

[Arizmendi] Will that process result in a devaluation, as financial circles and international analysts have said?

[Burelli] Venezuela has so far not accepted that proposal, but I don't know how the final arrangement will come out. I imagine that there must be all kinds of adjustments.

[Arizmendi] But no percentage can be established with regard to a possible devaluation.

[Burelli] No, no, no. We are not talking about a devaluation. The minister of finance, who is the official responsible for holding negotiations with these international authorities, has said there will not be a devaluation.

[Arizmendi] Mr. Foreign Minister, there is a great concern in the Colombian private sector and also in government economic circles over the news from Venezuela, in the sense that at this time the Central Bank does not have enough resources to pay Colombian exporters. Is this part of a bilateral conversation between yourself or the Venezuelan delegation with your Colombian counterparts?

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[Burelli] No. Last night I heard in Venezuela and today I was informed that this is not true. There are resources at the Central Bank but these payments will be made after some control measures have been observed. We are a little unexperienced in foreign exchange control. You have maintained it for several years and know what this is all about.

We are just monitoring that. Last time [words indistinct] alarm and we have overcome that situation. It is natural that such intense and enviable exchange experience some delays every now and then.

[Arizmendi] Dr. Burelli Rivas, how do you rate, on a 1 to 5 scale, the state of relations between Colombia and Venezuela?

[Burelli] I would give it a 5.

[Arizmendi] Have all incidents been overcome, including the most recent ones?

[Burelli] At this time, we are trying to clarify a [words indistinct] point concerning the presence of some helicopters in the country. Colombian armed services declared that this was an involuntary mistake which, after the due apology, had been clarified. I understand — I have been six days out of my country — that at this time high-ranking military authorities from both countries are determining what is the exact location of the site where events took place, because the border is not clearly established. When this is determined, responsibilities will be established.

[Arizmendi] Do you know anything about the fate of six Colombians who were reportedly apprehended by Venezuelan authorities?

[Burelli] I am told the number is five and once the situation is clarified, they will be turned over to Colombian authorities.

[Arizmendi] This was Foreign Minister Miguel Angel Burelli Rivas talking to Emisoras Caracol Network.

Nicaragua's Chamorro Addresses Summit

PA1910000095 Santa Fe de Bogota Emisoras Caracol Network in Spanish 2139 GMT 18 Oct 95

[Address by Nicaraguan President Violeta Chamorro at the 11th Nonaligned Movement Summit at the Convention Center in Cartagena de Indias, Colombia; broadcast in progress — live relay]

[FBIS Translated Text] ...the Cold War and the fall of the Berlin Wall, including democracy and human rights among our priorities. Nicaragua has repeatedly voiced its opinion on how the Nonaligned Movement [NAM] should be structured in light of the new international circumstances. We have also presented tangible proposals on the working methods for and the new priorities of the NAM for the next few years.

Mr. President, I want to express my gratitude to all of you — members, observers, and guests of the NAM — for the solidarity and support you have expressed for Nicaragua. Since 1990, Nicaragua, as is the case with other countries that are today accompanying us at this summit, has had to follow a long and painful path to overcome the war and establish the democracy and freedom we are now enjoying to the fullest in our country. Amid major difficulties, we are overcoming a legacy of economic and social destruction that have turned us into an indebted, deprived [confiscado], and impoverished country. I want to tell you that the sacrifice thousands of Nicaraguans have made has not been in vain.

It pleases me to recognize that we were not alone during these five years of transition. We always had the support of the NAM countries. Today, our nation is seeking solutions to the burdening financial problem by restructuring the foreign debt, reactivating the economy, and consolidating democracy and reconciliation. In this new phase of the process, we Nicaraguans are certain that we will continue to count on the NAM's support. This Nicaraguan experience deeply identifies us with the causes of many other countries in the world that are still seeking this peace we are now consolidating.

From this summit, I voice my great support to all the processes being developed in all the continents, processes aimed at preventing war, strengthening democracy, and promoting talks, reconciliation, and reconstruction. The NAM must continue to be an example of strength and persistence in the fight for peace and arms reduction, instilling more confidence in and strengthening the principle that security must no longer belong exclusively to the military. Security emanates from the right to development and the increase in our ability to overcome a history marked by adverse economic and social conditions. This is a new model of security, which the NAM countries must forge.

Nicaragua will continue to participate with a constructive voice in the NAM. We will emphasize the contributions that the movement could make to a new and mutually respecting and beneficial North-South dialogue, as well as a more effective cooperation among the South. We will prioritize the option of taking joint and coordinated positions in trade, foreign debt, environment, and scientific and technological development matters. The NAM countries have constituted a moral force and have promoted initiatives to replace confrontations with

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political and concerted solutions by the North and nonaligned countries.

I am convinced that the strict adherence to international law, the principle of nonintervention, respect for territorial sovereignty and integration, and the non-use of force in international relations must always prevail among our countries. We must start changing the NAM into a an effective instrument for the prevention of prompt and peaceful resolutions of controversies, particularly among the nonaligned countries. [sentence as heard] We must reaffirm that the problems of underdevelopment and poverty are still the main cause of conflicts. We must define as an essential priority of the world community and our own rulers the eradication of poverty, hunger, undernourishment, and illiteracy. We must stress our political resolve to promote the respect for human rights, especially the individual rights of the people of a nation, each of the nations [three-second break in reception] our decision to permanently continue with this process of adapting the NAM to the new times. We must specifically stress the decision to keep participating in the reactivation of the United Nations in order to make this organization better prepared... [station breaks off]

Italian, Moroccan Envoys on Summit

PA1710165695 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Oct 95

[Report by Edgar Artunduaga from "Caracol's 0600 to 0900" newscast]

[FBIS Translated Excerpt] Francesco Paolo Pulci, Italian Ambassador to the United Nations, today underscored the importance of the Nonaligned Movement in any reform proposal promoted within this world organization. He said one of the most important goals of this Cartagena summit should be the consolidation of its unity, because the movement will be taken more into account in any possible decision if it is united. The diplomat added that for Italy, as well as for other countries, the most important reform within the United Nations should involve its Security Council.

The moroccan ambassador has spotlighted Colombia's leadership. The diplomat has praised the leadership our country has assumed in the search for cooperation and understanding among nations. Assessing the first days of work at the Nonaligned Movement, he has said Morocco shares Colombia's vision for the future of the Nonaligned Movement, adding that important agreements were achieved thanks to the efforts of Foreign Minister Rodrigo Pardo during a visit to that country in June.

We agree the nonaligned countries should discuss issues uniting them and forget about the conflicts that have somewhat paralyzed the movement. We have made outstanding progress in the struggle against colonialism, and we should insist on North-South cooperation talks, because the problem in the end involves poor and rich countries, the Moroccan ambassador has said. [passage omitted]

Meanwhile, (Usef Adad), the Libyan secretary of foreign relations, has ruled out that his country's leader, Muammar al-Qadhafi will not come to Cartagena due to a lack of security guarantees. He has said a letter addressed to President Ernesto Samper Pizano will be read on 19 October before the plenary of the nonaligned summit.

Japan Fails in Bid for Official Status

OW1810134495 Tokyo KYODO in English 1322 GMT 18 Oct 95

[FBIS Transcribed Text] Cartagena, Colombia, Oct. 18 KYODO — A summit meeting of nonaligned countries started Wednesday [18 October] in the Colombian city of Cartagena, but Japan did not take part as an official guest state because of opposition from North Korea.

However, Japan will be able to attend ceremonial events during the Non—aligned Movement [NAM] summit as a special guest of the host nation, NAM sources said.

The Japanese Foreign Ministry had secretly worked in New York to obtain support from nonaligned countries to give official guest status to Japan, and as a result, almost all member countries, including the chair country of Indonesia, gave their consent, ministry sources said.

However, North Korea strongly opposed the plan, saying Japan has not compensated for its wartime acts, and that the country hosts military bases of a foreign country, according to the sources.

Germany, which also hosts bases of a foreign country, has official guest status.

Japan sees it as important to be supported by the nonaligned countries, which account for more than 60 percent of all UN member states, in order to become a permanent member of the Security Council, the sources said.

Japan Boycotts NAM Over DPRK Action

OW1910010095 Tokyo KYODO in English 0014 GMT 19 Oct 95

[FBIS Transcribed Text] Cartagena, Colombia, Oct. 18 KYODO - Japan boycotted a summit meeting of nonaligned countries which started Wednesday [18

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October] in the Colombian city of Cartagena, in protest against North Korea's barring Tokyo from being given official guest status.

Japanese Ambassador to the United Nations Hisashi Owada, who had been visiting the city to attend the Nonaligned Movement [NAM] summit since Sunday, left for New York without appearing at the opening ceremony.

North Korea opposed Japan's participation, saying Tokyo has not compensated for its wartime acts, and that the country hosts military bases of a foreign country.

Japan was then only allowed to attend ceremonial events during the NAM summit as a special guest of the host nation.

A Japanese government official, who asked not to be identified, said in Cartagena that Japan's status is unsatisfactory in terms of diplomacy and the boycott is also meant as a protest against North Korea.

The Japanese Foreign Ministry had secretly worked in New York to obtain support from nonaligned countries to give official guest status to Tokyo, succeeded in leading almost all member countries, including the chair country of Indonesia, to give their consent, ministry sources said.

Japan sees it as important to be supported by the nonaligned countries, which account for more than 60 percent of all UN member states, in order to become a permanent member of the UN Security Council, the soures said.

Japan, which put the Korean peninsula under its colonial rule from 1910 to 1945, has not yet established diplomatic relations with North Korea.

Since the end of World War II, the U.S. Army has stationed its military bases in Japan.

Germany, which also hosts foreign military bases, has official guest status at the NAM summit.

Malaysia's Badawi on NAM Procedures

BK1810072695 Kuala Lumpur BERITA HARIAN in Malay 18 Oct 95

[Unattributed report — received via Internet]

[FBIS Translated Text] Cartagena (Colombia), Tuesday — Malaysia has called on the Nonaligned Movement [NAM] to create a new procedure so that no member countries can oppose a decision that has majority support.

Foreign Minister Datuk Abdullah Ahmad Badawi said that NAM will not be effective and will ultimately be ignored by its member countries if it has no ability to make quick decisions on important international issues.

The NAM now has no choice but to set aside the procedure for creating a consensus because it is becoming more involved when discussing important international issues.

Malaysia introduced this proposal on the first day of the NAM foreign ministers meeting after seeing that one or two countries had vetoed a consensus on important issues, which in turn reflected their opposition to the movement as a whole.

On the other hand, he said that the movement will be able to make effective decisions if it can identify an overwhelming majority.

Abdullah said that NAM should be fast moving and participate actively in any important international issue. Thus, it is necessary to make quick decisions based on the majority's views.

Speaking to Malaysian journalists last night, Abdullah said that NAM's current approach to important issues makes it difficult to reach a decision on anything at all because it requires 100 percent support from member countries.

Malaysia had proposed an amendment to the NAM procedure following applications for new membership by Bosnia-Herzegovina and Costa Rica, which continue to be a stumbling block. This is due to the lack of consensus after several countries rejected them.

"If we want to command respect and be authoritative in the international arena, we have to make important decisions immediately. It is not reasonable to refrain from making a decision on something just because one or two countries fail to agree.

"The NAM has a large membership; for this reason, it is not easy to reach a consensus on many matters that must be discussed.

"How can NAM demand that the United Nations adopt a democratic attitude, when the organization's decisionmaking procedure does not recognize a large majority vote and ignores democracy," he said.

Abdullah also said, however, that everything depends on Colombia, the new chairman of NAM, which is going to lead the organization for the next three years.

Indonesia's Alatas on Colombia's Role

BK1810042895 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 18 Oct 95

[FBIS Translated Excerpt] Foreign Minister Ali Alatas has reiterated that the Indonesian Government is confi-

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dent in the Colombian Government's leadership of the Nonaligned Movement [NAM] for the next three years.

[Begin Alatas recording] The majority of NAM member countries and Indonesia are confident that under the leadership of Colombia, the movement will continue to progress and will implement the decisions adopted in Jakarta. Colombia will also be able to lead the movement appropriately, although it is currently facing several internal problems. However, the internal problems should not affect Colombia's leadership. [end recording] [passage omitted]

Indonesia's Suharto Transfers Leadership

BK1910044695 Jakarta ANTARA in Indonesian 1946 GMT 18 Oct 95

[FBIS Translated Text] Cartagena, 18 Oct (ANTARA)—President Suharto has reminded all members of the Nonaligned Movement [NAM] not to vacillate when facing new problems being pushed by other parties, particularly developed nations.

"Our movement must be able to see clearly the major problems facing our peoples. Our movement cannot afford to vacillate when facing new problems pushed by other parties," the president said in Cartagena on Wednesday morning local time.

Opening the 11th NAM Summit in Cartagena, Colombia, the head of state noted that some developed nations continued to push various new problems on developing nations.

"They have even turned these new problems into conditions for the flow of funds and settlement of the debts of developing nations," the president said. Suharto later handed over the NAM chairmanship to Colombian President Ernesto Samper Pizano.

The president raised the need for all NAM members to adopt a firm stand because the various old problems facing developing nations were being overshadowed by new problems being pushed by developed nations.

The old problems include the settlement of foreign debt, capital flow, market access, and commodity trade.

Speaking before the NAM delegates at the Centro de Convenciones in Cartagena, the president said the old problems could only be settled through the commitment of industrialized nations.

"Their commitment requires funds. The new problems pushed on developing nations by developed nations do not require them to allocate funds," the president said.

The problems being pushed by developed nations include the implementation of good governance, social issues, labor, and the environment.

The head of state also said: "These problems are also important, but they are the internal affair of developing nations. Their settlement does not require funds from industrialized nations."

NAM Problems

President Suharto told heads of state and government, ministers, and senior officials from 113 NAM members that NAM had been facing various worrisome political, economic, and humanitarian problems.

For example, NAM is concerned over violence in Rwanda and Burundi, which has claimed many lives and caused economic destruction.

"On the nuclear issue in the Korean peninsula, as NAM chairman I tried to contribute to a settlement of the issue acceptable to all parties through quiet diplomacy," the president said.

"We are happy that the Democratic [People's] Republic of Korea has reached important agreements with the United States over the matter," the president added. North Korea is a NAM member.

The president added that Indonesia tried, as NAM chairman, to help settle the crisis in Bosnia, which was part of the defunct Socialist Federal Republic of Yugoslavia, a NAM founding member.

"Foreign debt is the most critical problem overshadowing developing nations. For many low-income nations, the debt crisis is far from over," the president said.

The head of state said firmly: "NAM has firmly stated that rescheduling debts over several stages and years is not what the least-developed nations need."

He said what is needed, once and for all, is debt settlement. What is needed is a substantial reduction of all categories of the least-developed nations' debt—bilateral, commercial, and multilateral debt.

"The bilateral and commercial debts of a number of developing nations have been reduced; however, multilateral debts cannot be reduced. It is even impossible to reschedule them," the president said.

"An about-face in the position of the World Bank and a number of major industrialized nations demonstrates concretely what the developing nations have achieved through common efforts," the president said happily.

Although the World Bank and a number of major industrialized nations have changed their stance, Indonesia urges all NAM members to remain vigilant.

"We must continue our common efforts to convince multilateral financial institutions and the governments

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and peoples of major industrialized nations of our position," the president said.

Universal Principles

Meanwhile, accounting for Indonesia's leadership of NAM during the 1992-95 period, Suharto happily noted that the 113 NAM members had managed to maintain their unity and solidarity.

"This has been made possible by NAM's universal principles that reflect the values of all of mankind," the president said.

The principles include nonaggression, noninterference in the internal affairs of other countries, equality, and respect for national sovereignty, independence, and territorial integrity.

The Jakarta summit took place in an atmosphere of rapidization and growing future challenges, the president said: "Thus, it is increasingly clear that the major problems facing the movement are global and cannot be settled only with short-term corrective or incomprehensive measures."

As NAM chairman, Indonesia consistently stressed that the settlement of global problems required a new global partnership to attain peace, security, and prosperity for all nations in the developed North and developing South.

President Suharto, who relinquished the NAM chairmanship on 18 October, said the successful meeting between the chairmen of NAM and the Group of Seven [G-7] in Tokyo in 1993 was the main result of NAM's new approaches.

"As NAM chairman, since then I conveyed the movement's views and concerns over the matter to them prior to the annual G-7 summit," the president said happily.

The president added: "It is encouraging to note that the G-7 leaders urged the IMF and the World Bank during the G-7 summit in Halifax, Canada this year to help poor nations that incur huge multilateral debts."

Accordingly, the World Bank, which used to oppose the settlement of the multilateral debt issue, seems to be in the process of reversing its position.

Concluding his speech, the president expressed Indonesia's promise to cooperate with Colombia as NAM's new chairman.

"We will jointly decide on whether current activities will be continued, as well as on their framework and time frame. Whatever our future decision will be, Indonesia will continue to contribute to NAM's efforts and initiatives," the president said.

Kuwaiti Foreign Minister Addresses Summit

LD1810223395 Kuwait KUNA in Arabic 2124 GMT 18 Oct 95

[FBIS Translated Excerpt] Cartagena, Colombia, 18 Oct — The State of Kuwait has praised the important role played by the Nonaligned Movement [NAM] in defending Kuwait's territorial sovereignty and liberating it from Iraqi occupation five years ago.

Meanwhile, it called on the movement, which it was one of the first countries to organize in the 1960s, to play a similar role in making Iraq fulfill its commitments toward the UN Security Council resolutions concerning the war of liberation.

This came in the speech delivered by Shaykh Sabah al-Ahmad al-Jabir al-Sabah, the first deputy prime minister and foreign minister, before the participants in the 11th summit conference of the Nonaligned Movement being held here. Shaykh Sabah is representing the amir of Kuwait, Shaykh Jabir al-Ahmad al-Jabir al-Sabah, at the conference. [passage omitted]

Shaykh Sabah said that Kuwait attached a special interest to regional security, particularly in the Gulf region, a region that has direct effect on world security. Kuwait is also keen to see relations between the states of the region based on good neighborliness and mutual tranquility, and it attaches special importance to dealing with issues related to the safety of the region by peaceful means.

Shaykh Sabah reiterated that Kuwait welcomed the self-rule agreement between the Palestinian authority and Israel, and considered it as an important step on the right road towards the full implementation of all the articles of the agreement, a matter that will lead the Palestinian people to the exercising of its right to self-determination and setting up its own independent state. He underlined that peace in the Middle East would not be comprehensive and lasting unless it was secured on all tracks. He stressed the need for progress to be achieved on the Syrian and Lebanese tracks, and voiced Kuwait's support for the position of Syria and Lebanon calling for an Israeli withdrawal from all their territories.

The foreign minister also called for the bolstering of the agreement reached by the parties to the conflict in Bosnia-Herzegovina in order to secure the right of the Bosnian people to self-determination and to set up a state free from Serb aggression.

The minister also drew the attention of the conference to the deteriorating situation in Somalia and Afghanistan, and urged the conferees to seek a solution that would secure security and stability in the two countries and

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eliminate the causes of fighting between warring factions.

Mukherjee Briefs Newsmen on NAM Issues

BK1810110295 Delhi All India Radio Network in English 0830 GMT 18 Oct 95

[FBIS Transcribed Text] The 11th summit of the Nonaligned Movement [NAM] begins in Cartagena, Colombia today. Over 50 heads of state and government, including the prime minister, Mr. P.V. Narasimha Rao, are in the Colombian port city for the three-day summit, the second in the post Cold War era.

Briefing newsmen after the NAM foreign minister's deliberations, held earlier today, the minister for external affairs, Mr. Pranab Mukherjee, said the issue highlighted during the meeting was the redraft of the objectives of the Nonaligned Movement. There was consensus that development be given high priority in the NAM agenda. He said stress was also laid on measures to combat growing terrorism, drug trafficking, religious fundamentalism, and political extremism. Mr. Mukherjee said India is hopeful that the proposal to set up a nonaligned mechanism to settle bilateral disputes of member countries would be dropped from the declaration.

He said consensus was not yet reached on granting guest status to Japan and Macedonia, and admitting Bosnia-Herzegovina. He pointed that the nonaligned countries are unanimous in opposing the nontariff barriers in the name of child labor or labor standards. They recognize child labor and other relevant issues to be important but they want them to be addressed by the countries concerned. On developmental assistance, the NAM countries demand additional aid over and above the formula suggested at the Copenhagen social summit. Mr. Mukherjee said India is strongly opposed to any dilution of the role of UNCTAD [United Nations Conference on Trade and Development] or UNIDO [United Nations Industrial Development Organization]. He also said there is no unanimity among the NAM countries on United Nations reforms.

Pakistan's Bhutto Arrives at Summit

BK1910004895 Islamabad PTV Television Network in English 1345 GMT 18 Oct 95

[FBIS Transcribed Text] The 11th Nonaligned Summit began in the Columbian city of Cartagena today. Heads of state and government of 130 countries are participating in the two-day conference. Prime Minister Benazir Bhutto flew into Cartagena a short while ago to lead Pakistan's delegation at the NAM [Nonaligned Movement] Summit. Talking to newsmen at the airport, she said the world has changed a lot and it gives the Nonaligned Movement an opportunity to define the new role that NAM has to play in the changing world.

PTV special correspondent Habibullah Farooqi reports about the Pakistan-India relations and the situation in Kashmir, the prime minister said Kashmir is a dispute. There is an uprising in the occupied valley and the Indian Government is trying to crush the indigenous struggle of Kashmir. She said uprising in the occupied valley has got nothing to do with Pakistan. It is the Kashmiri people who want freedom. They have taken to the streets. As far as Pakistan is concerned, she would like to hold negotiations with India to resolve the Kashmir issue. She said we would also like to hold negotiations on arms build up by India. She said Pakistan believes in a world with global peace. We are concerned with the development of nuclear warheads by India.

Pakistan Foreign Minister Addresses Summit

BK1810105995 Islamabad Radio Pakistan Overseas Service in English 0800 GMT 18 Oct 95

[FBIS Transcribed Text] Pakistan has urged the Nonaligned Movement [NAM] to evolve a mechanism for solution of disputes like Kashmir, Bosnia, and other such issues affecting relations among the member states. The foreign minister, Sardar Asif Ahmad Ali, told the NAM foreign ministers meeting in Cartagena in Columbia that the movement should be a torchbearer of principles of justice, self-determination, and human rights and should play its role in the resolution of conflicts.

The foreign minister, articulating Pakistan's position on the Kashmir issue, said that resolution of this dispute could be a boon for one billion people of South Asia. The Movement should evolve some methods for conciliation and mediation aimed at resolving the Kashmir dispute. He asked how long the world can allow the grave situation in occupied Kashmir to persist with Kashmir remains bleeding.

He also referred to the genocide of Muslims in Bosnia-Herzegovina and the internal conflicts in Afghanistan and Tajikistan and demanded that NAM adopt resolute positions to end the wars.

The foreign minister also expressed Pakistan's concern over the existence of thousands of nuclear weapons, which pose a threat to peace and called for efforts for tackling the issue at regional level. He opposed the expansion in privileges and addition of new permanent seats of UN Security Council and said it was against the spirit and concept of Nonaligned Movement.

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Iraqi, Egyptian Foreign Ministers Meet

JN1810124695 Baghdad INA in Arabic
1110 GMT 18 Oct 95

[FBIS Translated Text] Cartagena, 18 Oct (INA)—Muhamamd Sa'id al-Sahhaf, the Iraqi foreign minister and head of the Iraqi delegation to the Nonaligned Movement [NAM] conference convening in Cartagena, Colombia, yesterday met separately with the Egyptian and Malaysian foreign ministers and with North Korea's vice president.

Al-Sahhaf met with Egyptian Foreign Minister 'Amr Musa. The two ministers exchanged views on the agenda of the conference and the draft final statement which will be issued by the summit. They also discussed ties between Iraq and Egypt and the prospect of working on returning them to their normal level.

The foreign minister also met with Dr. Ahmad Badawi, Malaysia's foreign minister. They discussed the draft final statement of the NAM summit and the major topics on the conference agenda. They also exchanged viewpoints on the means to improve friendly ties between Iraq and Malaysia.

The Malaysian minister expressed his country's eagerness to establish the best ties of cooperation with Iraq.

Muhammad Sa'id al-Sahhaf also met with Fak Ton Chol [name as transliterated], vice president of North Korea. He discussed with him relations between Iraq and North Korea. They also exchanged views on coordination among the NAM states to activate the movements' role in defending the interests of its member states and of all developing countries.

The Korean official voiced his country's solidarity with Iraq in resisting the unfair embargo imposed against it for more than five years. He also hailed Iraqi people's steadfastness in the face of the imposed embargo.

Iranian Foreign Minister Addresses Summit

LD1910104795 Tehran IRNA in English
1013 GMT 19 Oct 95

[FBIS Transcribed Text] Tehran, Oct. 19, IRNA — The Iranian Foreign Minister 'Ali Akbar Velayati, currently in Colombia to represent the Islamic Republic of Iran at the summit meeting of the Nonaligned Movement [NAM], Wednesday called for revision, reconstruction and rennovation of the structure of the international bodies, particularly the United Nations.

Speaking on the first day of the NAM meeting, he said, "We cannot allow our important global priorities such as elimination of weapons of mass destruction and creation of a conducive environment for equitable and sustainable development and growth to take a back seat to other agendas, which in most cases are no more than a concerted campaign by a handful of powerful countries or even pressure groups and lobbyists to maintain their unjustified positions of privilege, through cultural imposition, economic marginalization, technological exclusion, financial strangulation, trade protectionism and environmental hypocricy."

The movement has a sound and balanced agenda for disarmament, global peace and security, peace-keeping, peace-enforcement, reform of the United Nations and its organs, international protection and promotion of human rights, international cooperation for development, preservation of the environment and the fight agaisnt terrorism, he underlined.

This is reflected in the draft final communique of this summit as well as in previous NAM documents, Velayati said, adding, "We have taken a lead in international fora in advancing these global concerns and in doing so have engaged in constructive and serious dialogue and cooperation with our partners outside the movement."

"We should maintain and strengthen our positive contributions in these fields," the Iranian minister advised.

At the same time, he said, the movement should also make the necessary preparations, including the establishment of efficient mechanisms, to take a more active and leading role with regard to conflicts.

The need is even more pressing, because in the course of recent conflicts, unconscionable acts of aggression, genocide, ethnic hatred, war crimes, threat or use of force, occupation, expansionism, and violations of national sovereignty, political independence and territorial integrity of states have taken our fundamental principles to task, he noted.

In Palestine, Velayati commented, aggression, occupation, expansionism, massive violations of fundamental human rights, routine practices of state terrorism and quest for and acquisition of weapons of mass destruction by Israel have long been on our agenda.

"In our view, which is born out by history and contemporary facts, these major ingredients of the Palestine question have remained constant, notwithstanding tactical changes by Israel and its adoption of a peaceful posture," he said.

"Our approach must thus take cognizance of the realities, and react to changes that might occur regarding fundamental causes of the crisis and not tactical posturing by sides," he stressed.

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Velayati remarked that in Bosnia-Herzegovina, the continued existence of a member of the United Nations as a sovereign state has come under attack, through aggression and genocide, by a group of war criminals, inspired and encouraged by the political expediency of others.

Many peace proposals have failed, despite the exemplary good will shown by the republic of Bosnia-Herzegovina, due to intransigence of the Serbian side, he stressed. The Iranian foreign minister added that recent efforts, which have fortunately lead to cease-fire and direct and indirect negotiations between all sides, still suffer from many gaps.

"We believe that our underlying principles require us to take the lead in ensuring that any settlement would guarantee sovereignty, territorial integrity and continued existence of the Republic of Bosnia-Herzegovina as a sovereign member of the United Nations within its internationally recognized borders, and would not entail recognition of the fruits of aggression and ethnic cleansing or rewarding of aggressors and war criminals, who must indeed be brought to justice," he underlined.

An appropriate beginning is the acceptance, without further delay, the application by the Republic of Bosnia-Herzegovina to become a full member of the movement, he suggested.

"We have to accept the reality that Yugoslavia is no longer there. Serbs can have no more claim to Yugoslavia than their victims. They can certainly not claim any legacy of non-alignment as their actions represent the most horrifying affront to everything that non-alignment stands for," the foreign minister reiterated.

"We believe, at the same time, that the movement has a very high stake to ensure that this case will not become a jumping board to create precedents for practice with obvious ulterior motives. In particular, we need to be vigilant that any enforcement mechansim complies fully with the charter and is carried out with real international participation under clear international command and control."

"We can only achieve this by tackling the overall Bosnian tragedy according to its merits, and becoming more visibly active and assertive on behalf of victims of aggression as well as on behalf of our principles and our future role," he concluded.

Syrian Vice President Speaks at NAM

JN1910072795 Damascus Syrian Arab Republic Radio Network in Arabic 0515 GMT 19 Oct 95

[FBIS Translated Text] Cartagena — The 11th summit of the Nonaligned Movement [NAM] opened in the Colombian city of Cartagena yesterday. Syrian Vice President 'Abd-al-Halim Khaddam is leading the Syrian Arab delegation to the conference. Khaddam delivered a speech on behalf of the Asian group.

In his speech, Khaddam said: In the name of the Asian group, I would like to thank the president, government, and people of the State of Colombia for their warm hospitality and the efforts to convene our conference in this beautiful country. I would like also to note the tremendous and vigorous efforts exerted by President Suharto during his NAM chairmanship to advance the basic interests of our countries and movement. President Suharto deserves our deep thanks and appreciation.

The NAM played an historic role in supporting national struggle to attain liberation from colonialism. During the Cold War, the NAM also contributed toward reducing the threat to international peace and security. It made many achievements for our peoples and contributed to world security and stability.

Khaddam spoke about the current international situation in which the world lacks balance and authority. Hence, the great importance of consolidating the NAM role in preserving national independence and opposing the attempts to interfere in domestic affairs, as well as the attempts to return to colonialist hegemony, control people's resources, and restrict their national decision-making.

The world today is in dire need of bolstering the role of our movement, strengthening relations among its countries, and looking for ways to cooperate in all domains, especially economic and scientific areas. In light of the international situation, our movement and its leadership have great responsibilities. The Asian group congratulates President Ernesto Samper Pizano on his election to head the conference. The Asian group will extend every possible assistance and support for him to carry out his duties. We are certain that cooperation and solidarity between our countries will better equip us to face all developments and challenges in today's world.

Cyprus' President Voices Support for NAM

NC1710143195 Nicosia CYPRUS NEWS AGENCY in English 0919 GMT 17 Oct 95

[FBIS Transcribed Text] Cartagena, Oct 17 (CNA)—Cyprus supports the continuation and strengthening of the Nonaligned Movement [NAM], Cyprus President Glavkos Kliridhis told CNA on Monday [16 October] evening.

Arriving from New York, where he had addressed the U.N. General Assembly, President Kliridhis said Cyprus was taking part once again in a NAM summit.

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He said the Nonaligned Movement is going through a crucial period that answers should be given as far as the purpose of its existence is concerned.

"We believe that the Nonaligned Movement should continue and strengthen even more its serious role in the formulation of the new intentional order," Kliridhis told CNA.

He said NAM's right course is to contribute to the strengthening of the United Nations organisation, making it "more effective and credible" to implement the principles of its charter.

At the same time, President Kliridhis added that the movement has to play a significant role in human rights issues and matters concerning pluralistic democracies.

He said Cyprus, as a co-founder of the Nonaligned Movement, "wants to contribute in maintaining and developing the movement".

President Kliridhis said the Cyprus problem will be raised during the Cartagena summit. He recalled that most U.N. resolutions on Cyprus had been voted by NAM members.

Among the leaders and political personalities, who will attend the NAM summit, which opens on Wednesday, are Pakistan's Prime Minister Benazir Bhutto, the Prime Minister of India P.V. Narasimha Rao and the leader of the Palestine Liberation Organization Yasir 'Arafat. U.N. Secretary-General Butrus Butrus-Ghali will address the summit.

The summit will end on Friday with the adoption of the Cartagena declaration.

Cyprus' Foreign Minister Addresses NAM

NC1810123195 Nicosia CYPRUS NEWS AGENCY in English 0845 GMT 18 Oct 95

[By Emilia Christofi]

[FBIS Transcribed Text] Cartagena, Oct 18 (CNA)—Peace should be the first priority on the agenda of the Nonaligned Movement [NAM], Cyprus Foreign Minister Alekos Mikhailidhis told NAM ministers, meeting here Tuesday [17 October] prior to today's opening of the 11th NAM summit.

In his speech, Mikhailidhis said the Nonaligned Movement is now facing a new challenge in defining its role and mission in the emerging new world scene.

"Therefore," he said, "it is extremely urgent for the movement to maintain its relevance, to find ways and means by which it will make its voice heard and its role felt on major international issues."

He cited as an example the movement's "extremely important duty" in making the United Nations the vehicle for coping effectively with grave challenges such as hunger, illiteracy, epidemics and external debt, as well as the increasing number of refugees and displaced persons.

Mikhailidhis noted that NAM "must give preference to the creation of effective mechanisms for the implementation of the resolutions and the decisions adopted by the U.N. organization.

"A series of regional problems still remain unresolved despite numerous resolutions," he said, stressing that "what still remains as an imperative need is to move forward to the non-selective implementation of those resolutions."

As an example of such a long-standing problem, Mikhailidhis referred to the Cyprus issue which, he said, is a "glaring example of non-implementation of those resolutions," he said.

Despite numerous efforts, "a solution of the problem still eludes us," he said. Mikhailidhis also criticised the U.N. Security Council for lack of determination to "take resolute action for the implementation of its resolutions."

Stressing that positive developments have been witnessed on many issues such as the advert of the Middle East Peace Process, the peace treaty between Israel and Jordan and the latest interim Israeli-Palestinian accord, the Cypriot minister said "these hopeful developments give a clear signal that peace is possible and solutions can be found when there is political will and also international concerted action.

"Peace, we believe, should be the first priority of the agenda of the movement," he concluded.

In a statement to CNA, Mikhailidhis said during the NAM ministers' debate, the issue of Bosnia-Herzegovina was raised where there was an intense debate among the Muslim and African ministers.

Regarding Skopje's application to join the movement, Mikhailidhis said Cyprus will strongly react to any attempt to violate or to ignore the decision of the U.N. General Assembly, which said referred to the country as "Former Yugoslav Republic of Macedonia."

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NAM Draft Document Notes Concern For Cuba

PA1610144695 Madrid EFE in Spanish
0931 GMT 16 Oct 95

[By Alejandro Varela]

[FBIS Translated Text] Cartagena, 16 Oct (EFE) - The Cuban situation appears to be the Latin American topic that most concerns the Nonaligned Movement [NAM] gathered at the XI Summit in the Colombian city of Cartagena de Indias.

This is deduced from the draft document which the NAM delegates have been discussing for two days before submitting it today, Monday, and Tuesday to the meeting of foreign ministers in this same city and Wednesday and Thursday, to the chiefs of state and government.

The 102-page draft, to which EFE gained access, dedicates 14 points to Latin America and the Caribbean and highlights the situation of Cuba given its significance.

In that paragraph the 113 countries of the NAM note that their chiefs of state and government will demand "the U.S. Government put an end to the economic, commercial, financial, and other actions against Cuba."

Such U.S. measures are termed "contrary to the UN Charter and to international law."

According to the draft, the NAM urges "the U.S. Government to return territory, now occupied by Guantanamo Navy Base, to Cuban sovereignty and to put an end to the aggressions on radio and television against Cuba.

In addition to the Cuban situation, the first point of the document dedicated to Latin America is left open awaiting the conclusions of the Fifth Ibero-American Summit which begins Monday in Bariloche, Argentina, to take note of its conclusions.

In other paragraphs, the NAM expresses its satisfaction with the implementation of the agreement constituting the Association of Caribbean States and the reestablishment of democracy in Haiti and return of its President Jean-Bertrand Aristide.

Regarding Central America, the NAM had not agreed on the approval of a declaration in which they note that peace cannot be achieved in that region "without a sustainable development and democracy," sources that provided the document told EFE.

The draft notes the progress achieved in El Salvador since the peace agreements were signed with the guerrillas and the recent agreements reached between the government of Guatemala and the Guatemalan National Revolutionary Unity [URNG].

Regarding Panama, the NAM expressed its satisfaction with the "significant progress" achieved in the fulfillment of the Torrijos-Carter Treaties that provide for the complete turnover of the Isthmian Canal administration to the Panamanian Government before the year 2000.

It does not, however, refer to conversations which Panamanian President Ernesto Perez Balladares has established with the government of Washington to study the possibility of the United States being involved for a longer period of time in the canal administration.

On the same topic, the NAM expressed its "solidarity" with the plans of the Panamanian Government to hold a Universal Congress on the canal in September 1997 with the participation of governments, international organizations, and public and private academic institutions of all the world.

In the section entitled "Latin America and the Caribbean" there is no direct mention that refers to any issue whatever related either directly or indirectly to the countries of the American Southern Cone.

NAM on 'Alternatives' to Indebtedness

PA1610143495 Madrid EFE in Spanish
0929 GMT 16 Oct 95

[FBIS Translated Text] Cartagena (Colombia), 16 Oct (EFE) — Measures to pay the foreign debt that jeopardize the political stability of debtor countries do not constitute viable alternatives to the indebtedness problem, the national experts of 113 nations of the Nonaligned Movement agreed.

National experts of the movement's member countries concluded on 15 October two days of discussions in Cartagena de Indias to draft the final document that the heads of state of the 11th summit will sign on 20 October.

Before the presidents approve the final document, to which EFE had access, the foreign ministers will analyze it.

According to World Bank data, underdeveloped countries maintain a foreign debt of $1.95 trillion and the most indebted country within the movement is Egypt with $40.571 million, followed by Nigeria with $34.497 million, Algeria with $28.636 million, and Morocco with $21.219 million.

Peru ranks fifth with a foreign debt of $20.709 million, followed by Ivory Coast with $18.847 million, while Ecuador ranks ninth with $12.469 million.

"The foreign debt problem will only be solved through negotiations between debtors and creditors that consider

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all aspects of the problem" and such negotiations should guarantee financing sources to indebted countries and improve their access to markets," the document states.

"Measures that jeopardize the political stability and possibilities of economic and social development of nonaligned countries and other developing countries constitute no viable alternative to ensure a lasting solution to the foreign debt program."

The national experts agreed, after two days of discussions, that the debt and its servicing have increased significantly over the past decade despite efforts made by debtor countries.

Thus, the document calls for the pardoning of the bilateral debt of seriously indebted low-income countries, the less developed ones, and others that are facing special difficulties.

It also points out the need for the Paris Club to continue applying measures to reduce the bilateral debt, including pardons and other measures to ease the situation, the expansion of such measures to include other underdeveloped countries, and the increase in capital flows to countries that are facing special difficulties.

To reduce the multilateral foreign debt of movement countries and all underdeveloped ones, the document recommends "serious" consideration of the possibility of using IMF gold reserves.

Consolidation of the financial aid granted by the IMF is necessary as well as its transformation into long-term aid or its granting under concession terms.

As for the World Bank, the document asks for a rescheduling of loans due to structural readjustments carried out in the countries, their transformation into long-term debts, and the adoption of measures similar to those applied by the Paris Club.

NAM Ends in 'Deadlock' on Bosnia

BK1610132395 Jakarta ANTARA in Indonesian 1021 GMT 16 Oct 95

[FBIS Translated Text] Cartagena, 16 October (ANTARA) — The debate on the proposal for the Republic of Bosnia-Herzegovina's membership in the Nonaligned Movement [NAM] ended in a deadlock at the end of the "senior officials meeting" (SOM) because a number of small African countries were opposed to the proposal.

Speaking to reporters upon the conclusion of the SOM in Cartagena, Colombia on Sunday night, Ambassador Nana Sutresna, head of the NAM organizing committee said: "An agreement on the acceptance of Bosnia as a member was not reached and the debate will continue at the foreign ministers meeting."

The NAM senior officials meeting in Cartagena lasted from 14-15 October. The foreign ministers meeting will be held on 16-17 October 1995. This will be followed by the high-level summit, which will conclude on 20 October 1995.

Among other things, the SOM agreed on the establishment of the 11th NAM high-level summit bureau, comprising nine deputy leaders from the African states; eight deputy leaders from Asian countries; four deputy leaders from Latin America; and two deputy leaders from Europe.

The responsibility of the deputy leaders of the organizing bureau is to assist the leaders in organizing the high-level NAM conference.

According to the NAM conference organization bureau, Zimbabwe was one of the countries that was still reluctant to accept Bosnia as a NAM member. The country, however, did not provide any relevant explanation regarding its opposition to the proposal.

The delegates of the SOM knew that Zimbabwe and a number of small African nations sympathized with the Federal Republic of Yugoslavia, which is currently dominated by ethnic Serbs because Yugoslavia has provided great assistance to the African states in the past.

Speaking to reporters at the end of the SOM, Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi stated that all NAM member countries should support to Bosnia's desire to become a member of the NAM.

He said: "We should not let the issue of Bosnia becoming a NAM member end in a deadlock simply because a small number of countries are opposed to such a proposal."

He added that in connection with this, Malaysia and the other Organization of Islamic Conference member countries will lobby other countries in an effort to allow Bosnia to become a NAM member.

The lobby to gain confidence among other countries was considered important because any decision taken at the NAM meeting should be based on consensus.

Other Countries

According to the head of the NAM organizing committee, Costa Rica's membership application is also still "pending," but it is because some Middle East countries are opposed to the proposal. They say that Costa Rica has clearly accepted Jerusalem as Israel's capital.

Besides this, North Korea has expressed strong opposition to Japan's request as an observer status within the

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NAM. North Korea cited historical issues as the reason for its opposition.

According to North Korea, Japan has yet to settle its war debts or extend an apology to the country for its war atrocities during World War II.

Meanwhile, Cyprus has opposed Macedonia's application for observer status within the NAM. Cyprus's reason for the opposition was based on the issue of the country's name.

The proposal for Turkmenistan's membership in NAM was accepted in principle during the NAM coordinating bureau's meeting held in New York last September.

Nana explained that the interest expressed by several countries in becoming NAM members and observers indicated that there was high appreciation for the NAM, which currently has 113 countries within its fold.

EU Chided for 'Scandalous' Latin America Policy

BR1310154995 Madrid ABC in Spanish 13 Oct 95 p 35

[Report by Alberto Sotillo: "Spanish Presidency Allows Latin America To Become EU's Cinderella"]

[FBIS Translated Text] Strasbourg — The Spanish presidency of the EU is preparing a series of events of great pomp and circumstance by which it is attempting to hide the meager contents of relations between the EU and Latin America, and the scandalous cutbacks on aid to the region. Behind the official rhetoric on our traditional brotherhood with Latin America, the truth is that the latter has become the Cinderella at the EU's ball.

The latest stone thrown at the puny relations between the EU and Latin America has been a dramatic reduction in the economic aid earmarked for the region. In its draft budget for 1996, the European Council is proposing to limit the amounts allocated to Latin America and Asia, reducing them by more than 22 percent compared with the figures proposed by the European Commission (ECU 719 million), and by 20 percent compared with the 1995 budget (ECU 700.5 million).

The EU is centering its economic efforts on the eastern European and southern Mediterranean countries. This is understandable given that — because they are so close — their stabilization is an urgent task. But a glance at the amounts of aid granted to each region enables anyone to realize that the eastward and southward rapprochement is being carried out at the expense of Latin America, which thus becomes the remotest region in the world for the EU.

If the Council's 1996 draft budget goes ahead, the central and eastern European countries will receive ECU 1.235 billion; the southern Mediterranean countries ECU 900 million; CIS countries ECU 528 million; Asian countries ECU 374 million; and Latin American countries only ECU 234 million. Clearly, the EU is attaching very little importance to Latin America, and if closer links are being established with the southern Mediterranean countries, this is being done at the expense of the Latin American region, on which Spain's international influence is largely based.

In an attempt to correct this trend, People's Party deputy Jose Ignacio Salafranca has proposed an ECU-50-million increase, 60 percent of which would go to Asia (Britain's support is necessary) and 40 percent to Latin America. To this end, Salafranca was backed by Socialist deputy Francisca Sauquillo, who believes there should be no party differences on this issue. However, this proposal seems to have few chances of success given the great song and dance that is being made about the Euro-Mediterranean Conference, whose laudable aims are apparently to be financed by imposing cuts on Latin America.

The Spanish presidency is preparing an agreement with the MERCOSUR [Southern Common Market] countries, which will be surrounded by great pomp but which seems practically devoid of any content. The agreement lacks any financial support (no money is being made available) and it will be limited to requesting talks to start with a view to preparing future negotiations.

There will be no cooperation agreement with Mexico, there is no time to prepare it. Nor does it seem probable that any practical initiatives will materialize with Cuba, since the EU is merely starting "exploratory" conversations to sound out the Cuban dictatorship's very doubtful disposition to reform.

This attitude is all the more striking considering that Latin America is one of the regions the EU has neglected most. The problem is not only that Latin America is being kept at the end of the queue for EU aid, but also that it is being denied the preferential export status enjoyed by the ACP [African Caribbean Pacific] countries (most of which are former French colonies), and has very little access to IEB [European Investment Bank] credits.

The EU has made a budgetary effort in favor of the eastern European countries (the amount being six times larger than for Latin America), and another substantial effort in favor of the southern Mediterranean countries (three times larger than for Latin America). But as far as the area of Hispanic influence is concerned, the EU

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is keeping its distance as if it believed that this area is reserved for the United States' exclusive influence.

EU-Mercosur Association, Border Controls Viewed

PY1910032195 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1810 GMT 16 Oct 95

[FBIS Translated Text] San Carlos de Bariloche, 16 Oct (NA) — In accordance with the protocol established for this morning's inaugural session, and overshadowed by the majestic scenery of Llao Llao, the Fifth Ibero-American Summit entered a phase of decisive exchanges of bilateral opinions in which Argentina has managed to advance on two key issues: The Mercosur [Common Market of the South] association with the EU, and the necessity of ending the blockade on Cuba, but requiring full effectiveness of democracy.

Concerning the Mercosur association with the EU, Spanish Prime Minister Felipe Gonzalez this morning gave assurances to President Carlos Menem of advancing the Mercosur and EU presidential summit in Madrid for 10 December, for the signing of an agreement of mutual interest.

Among the Mercosur presidents, Menem is the one who has been working very hard in recent times to advance on the achievement of this agreement between the two trade blocs.

During a meeting at the Llao Llao Hotel this morning, before the summit's formal opening, Felipe Gonzalez also pledged to Menem that Spain "would include the reservations existing" on the Malvinas Islands sovereignty issue in any future fishing cooperation agreement that his country would sign with the United Kingdom.

Foreign Minister Guido Di Tella; Spanish Foreign Minister Javier Solana; Interior Minister Carlos Corach; and Alberto Kohan, the secretary general of the presidency, also participated in the meeting.

In keeping with the prospective contents of the final declaration that will be released tomorrow during the summit's closing session, Menem and Gonzalez agreed on the necessity of asking for the end of the embargo on Cuba. Kohan, however, pointed out that the Argentine stance on "the nations' rights to freely choose their leaders" was clearly established.

Nevertheless, another key issue that the Argentine delegation had raised during this summit was not resolved: The establishment of an international counterterrorism organization, a proposal that was raised by President Carlos Menem.

Even though the previous steps to resolve this issue were reportedly taken a few hours earlier by Corach; his Paraguayan counterpart, Carlos Podesta; and the Brazilian Government official responsible for this area, the Argentine Foreign Ministry reported yesterday afternoon that the final meeting among these three officials had been postponed and that a date had not yet been established for it.

The Foreign Ministry communique notes "the lofty spirit of cooperation prevailing in the relations among the three countries in every field of activity." With this lofty spirit of cooperation, "they reviewed the situation prevailing in the tri-border area, especially near the cities of Puerto Iguazu [Argentina], Foz do Iguacu [Brazil], and Ciudad del Este [Paraguay]," the communique adds.

The communique adds: "In keeping with this review, the foreign ministers expressed their concern over the increase in illegal activities in that region, especially those concerning security and illegal actions."

Therefore, the foreign ministers proposed "the holding, as soon as possible, of a meeting, with the participation of the appropriate government officials from the three countries, for coordinating the actions proposed during the meeting that the three countries held in Buenos Aires on 1-2 August 1995 to discuss public security issues."

The Argentine proposal is linked to a decision that the three countries have made to counter terrorist activities in the common border area in Misiones [Province]. It is believed that Hizballah activists have their base of operations in this area. The Argentine Government formally condemned the Hizballah organization last week, as it believes that this organization has participated in the Israeli Embassy and AMIA [Argentine-Israeli Mutual Association] headquarters bombings.

Corach and his Paraguayan and Brazilian counterparts were scheduled to meet at the Llao Llao Hotel this afternoon to formalize the agreement. After the talks were cancelled, however, it was leaked that the interior minister had returned to Buenos Aires.

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Guarantors To Hold Continuous Talks With Peru, Ecuador

PY1810235395 Lima EL COMERCIO in Spanish 7 Oct 95 p A5

[FBIS Translated Text] Peruvian Foreign Minister Francisco Tudela reported on 6 October that, beginning today, the deputy foreign ministers of the guarantor countries will keep continuously open the consultation mechanisms for the development of the peace process between Peru and Ecuador.

Tudela said that this is a new fact in the process of relaxation and pacification, after which the meeting with Ecuadoran Foreign Minister Galo Leoro will take place in Lima during the second week of January to discuss how the main problems between Peru and Ecuador must be treated.

He explained that the subject related to the solution of the prevailing impasses will not be touched, but the manner in which these matters will be treated will be handled.

On the withdrawal of mines, he said that Ecuador has, to a certain extent, complied with what was agreed upon. "We know they have asked for international help to remove the mines," he said.

According to Tudela, the results of the Brasilia meeting are extraordinarily positive. "There are no major obstacles that could have been verified during the process," he said.

Tudela said that Peru and Ecuador comply strictly with the agreements adopted in the Itamaraty Declaration, and that internal problems that tarnish the two countries cannot affect a process international in scope.

"In this regard, I do not think either of the two governments can be held responsible," Tudela said, after exchanging diplomatic notes with British Ambassador John Illman for the delivery of a contribution of $2.4 million for health programs.

He said that the situation of the missing civilians is still being assessed, although he added that this subject is not included on the agenda of the meeting in January with his Ecuadoran counterpart Galo Leoro.

He said that some cases are still pending, particularly one, currently being analyzed, concerning the case of a person who has been sentenced in Ecuador. "Research is being carried out to learn exactly what is the case, and to take correct and professional action."

Concerning the French nuclear tests, he said that for the time being the Peruvian Government has no intention of making a statement, but added that a decision has been made not to accredit the Peruvian ambassador to Paris until the tests are stopped.

Concerning the Chilean Conventions, he said that the government is waiting for the installation of the Consultative Commission; the Colunge Commission, which had evaluated the observations on the document, must release its analysis to the working group, so that a statement can be made within a prudent period. Only then will the Peruvian position to be presented to Chile be established.

Tudela declined to comment on the Chilean decision to open Arica to Peruvian and Bolivian investments. "It is a policy of port and tariff development that has to do with Chile, because it is a sovereign matter."

Moreover, the positive results of the third meeting of the Superior Consultative Committee of the MOMEP-2 [Peru-Ecuador Military Observers Mission] and the agreements between Peru and Ecuador were stressed at the Brasilia meeting. Among these agreements, the following stand out: progressive integration of the military observers, separation of forces, and the reduction of military troops and weapons, which successfully ended on 1 October on the border points outside the demilitarized zone.

Both Peru and Ecuador feel that the permanence of MOMEP-2 represents a factor of definite importance for the consolidation of the peace process, and for this reason the guarantors reported that they are willing to extend their presence in accordance with the provisions of the Itamaraty Declaration.

The two parties also agreed to maintain good relations of friendship and goodwill between their peoples.

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Cuba

Castro Speaks at Dinner Hosted by Uruguayan President

PA1910022995 Havana Cuba Vision Network in Spanish 0257 GMT 18 Sep 95

[Address by President Fidel Castro at dinner hosted by Uruguayan President Julio Maria Sanguinetti at Independence Hall in Montevideo on 14 October — recorded]

[FBIS Translated Text] Honorable President Sanguinetti, distinguished guests:

It confuses me to look over in that direction. I was told that we would be in the hall of mirrors and am wondering if the people seated over there are us or somebody else. [laughter]

You might not believe this — especially with the number of lengthy addresses I have given — but I have always suffered from stage fright. However, I do not think it will be too difficult for me to deliver a few remarks on this occasion — even though it has always been difficult for me to deliver just a few remarks.

I am very thankful for the invitation that was extended to me. It has been a very moving experience, returning to this county after 36 years, five months, and 10 days. How time flies! That too was a very brief visit at a catastrophic time that coincided with [words indistinct] there was no presidency at that time. A board was running the government. I did not understood too well, but somehow it worked. The formalities were not like today. The protocol was not as strict and refined as today. I was also much less experienced. I just played along. There was no agenda. The agendas today do not even allow me time to breath.

I am truly happy to be here. Maps can be deceiving: It seems as if Cuba and Uruguay are close neighbors. I did not realize until I was over the Pacific that the flight would be as long as the eight and one-half hour flight I took on my recent trip to Copenhagen. Emotions, and not maps, may be getting the best of me, leading me to think that we are much closer to dear Uruguay than we actually are.

The people back then welcomed me at a great rally, where I had the chance to deliver a long address. I remember what I told them at the time. It was rather curious. The Revolution had just come to power and everyone wanted me to visit and do something on the scale of what Bolivar or San Martin did in freeing the peoples. I flat-out rejected the idea that other countries would experience change in the same way: that is, with soldiers arriving from other countries.

I remember it well. I had just come from the Group of 21 meeting in Buenos Aires, which addressed Latin American development. I was reflecting today on what I had said back then. I cannot believe how much time has flown. It's as if today's problems were being discussed 36 years ago.

We did not have a foreign debt back then. I stand behind what I said back then, despite the fact that so much time has passed: We lacked the resources for development; it was impossible to develop on our own with the resources that we had; there were diverse paths to development. I believed then that the state and resources from abroad had to play a role in development. I compared living standards in developed countries with those in our own countries. I stressed that aid was vital. A U.S. delegation attended the meeting. We had better relations then than now. Everyone was very respectful. I said, then, that we needed $30 billion to develop Latin America. Was I dreaming! I explained that if our countries did not have markets on which to sell their products...[pauses] We were thinking about the resources and money needed to develop and not about technology, globalization, or things like that back then. The United States had those resources. I said then that their living standards were six times higher than those of Latin Americans and that they could give up a bit of what they had and help out. Those were the good old days, when I figured it would cost $30 billion and we had no foreign debt.

I realize how wrong I was when I think that the foreign debt totals $504 billion today. Thirty billion was a drop in the bucket. When I think that international organizations have had to help Mexico to the tune of $50 billion, I realize that I did not know what I was talking about. International aid at that time [words indistinct] Latin America.

My range of experience has widened and my thinking has evolved, as I have grown older. We have had differences [enfrentamiento] with the United States for more than 30 years now. We are proud that we have been able to stand up to such a formidable power for over 35 years. No one thought that Cuba would survive for long after the USSR and the Socialist bloc collapsed. Cuba survived and will continue to survive. Its will and spirit are strengthened, even in the midst of very difficult circumstances. It is difficult when you suddenly lose 75 percent of your imports, lose your markets, lose everything. Our people's unified resistance is rooted in the principles, ideas, and awareness that we have developed over all these years. Our people have been able to pass this very hard test. This also gives you a measure of mankind's potential for miracles, of the development of levels of understanding, unity, and

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awareness that has helped us resist thus far. We are not a nuclear power nor do we have oil like Kuwait, Venezuela, or other countries. We have had to go back to to bicycles and animal power.

The blockade has been in place for over 35 years. There are fundamentalist groups in the United States that support the notorious Helms-Burton bill, which aims to reinforce the blockade and limit the rights of other nations through truly brutal measures that are all the more absurd considering that the United States is making peace with countries like the SRV and giving nuclear reactors and fuel to the DPRK. Why us? We have not been at war with the United States. Why do they treat us so differently? Why make us the only blockaded country in today's world, when the majority of nations have rejected the blockade? I believe that only one nation sided with the United States in the last UN vote. The blockade is cruel and harsh and targets the people — men, women, and children. The blockade is a genocidal act that has been in place for over 35 years. I repeat: We know the price of freedom. We do not expect everyone to agree with us or think like us. However, I can assure you that we have been fighting for what we believe to be independence, freedom, dignity, equality, and social justice. We have been confronting a country accustomed to bullying this hemisphere, a country that has kept us divided.

I believe, as I did 36 years ago...[pauses] I also spoke of the need for unity, a common market, and other things that are being discussed in today's world. This is why I truly admire and appreciate Uruguay's invitation: It sends a strong antiblockade message and demonstrates the courage needed to make this visit possible. This demonstrates not only valor but also the spirit of freedom and independence that we, too, hold dear.

President Sanguinetti quoted Marti: We pay a high price for freedom; many have given their lives for it. We have experienced this firsthand, with our own flesh and blood. That is what we have done and are willing to do. We are committed to paying a high price for the independence and freedom of our people and fatherland as we know it.

I will end here. The distinguished guests have eaten dinner and are probably hoping that my remarks will end soon.

I must say that I hold fond memories of my meetings with President Sanguinetti. We have always been good friends. He reestablished relations with Cuba immediately after reassuming the presidency. I had the pleasure of seeing him today. I knew he was coming when the protocol official announced that the labor minister was on his way. However, the ministers' wives arriving ahead of the ministers confused me. I did not know who the lady walking ahead or the man walking behind her were. [chuckles]

Anyway, he returned and reestablished relations. He had established relations earlier in his career. He is back now, and made this visit possible. He and Marta have shown me every possible kindness. You came up with this refined custom of exchanging gifts. I was given great gifts that hold great personal value for me, including a photo of a warship entering the port of Havana — my guess is that it is a U.S. ship...[pauses for laughter] — in 1920 and an old cart with a sign that reads: Charge Up With Meat Broth From Uruguay! [laughter]

Truly amazing! I have no idea where she found that old photo, but it was given to me tonight. I guess that back then we were big meat and meat broth buyers. Perhaps that is what gave us the strength to resist everything we have resisted. [laughter]

Great photos! They also gave me something of great cultural and spiritual value: the only copy of an unpublished poem by Guillen that has been edited and everything. Museums and curators of Guillen's works will want this piece of paper as soon as I get to Cuba. This is extremely valuable to us.

Uruguay has always been very supportive of Cuba, and Cuba has always been very supportive of Uruguay. This is rooted in history. The Uruguayan people appointed Marti their consul in the United States in 1894. Marti later resigned because of his involvement in preparing for the uprising in Cuba [words indistinct] in 1891 and appointed him Uruguay's representative to the monetary conference in Washington in 1890. His ties with Uruguay were very dear. He resigned after the Spanish ambassador complained that it was an outrage for a man advocating Cuba's independence to be Uruguay's representative. He did so on his own. He explained why it was his duty to resign. Yet, he always remained Uruguay's most loyal servant. He loved Uruguay dearly.

There has always been a closeness between our peoples. Uruguay was one of the last countries to break relations with us when it was no longer possible to resist. The Uruguayan people have always been very supportive of the Cuban people. My return is a miracle in many respects. I never would have dreamed, 36 years ago, that I would still be around today, irritating you with addresses that are a bit too long.

There is not a whole lot of courage in this world. It is a miracle that I am here today, for it would not be possible without the courage that Uruguay and its government

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and its president have shown in inviting me here. I am convinced that —in reply to his words — this will be beneficial in every respect, and that we will corroborate his wishes for peace.

I cannot promise you that we will engage in a market economy...[pauses for laughter] although we have engaged in certain market practices and know the headaches that it causes. I pity you, because directing the economy with macroeconomic measures alone is difficult. We are gaining some experience in market economics. We are doing a few things with the necessary foresight. We have already done many things in the last few years, and the results are already significant.

My dearest friend and Uruguayan president, I will not be able to accommodate you in every way but am sure that I will be able to accommodate you in many ways. Thank you, very much. [applause]

Commentary Views 'Universal Consensus' Favoring Country

PA1810151195 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Oct 95

[Commentary by Jose Llanez from the "National Radio News" newscast]

[FBIS Translated Text] Undoubtedly this week will see many events that will oppose the objectives being sought by the most conservative sectors in the United States — including the extreme Cuban right in Miami — to isolate Cuba and intensify the blockade. The most important and moving event may be the reception extended to Fidel by the people during his trip to Uruguay, and now during his stay in Argentina. Thousands of people in both countries acclaimed him as if they were acclaiming hope itself.

After 36 years, and after enduring countless tests, men and women throughout America still perceive the Revolution as a major bulwark worth preserving at any cost. The blockade, according to numerous forecasts, will be condemned implicitly or explicitly at least during the Fifth Ibero-American Summit and the 11th nonaligned nations summit. It is also expected that during the 50th UN anniversary a pronouncement will be made for the fourth time against U.S. attempts to obstruct our right to international trade. If all of this were not enough, it is also very possible that there will be rejections of such attempts once again even within the United States. Sometime next week, between Wednesday and Thursday, the U.S. Senate will again discuss the controversial Helms-Burton bill. Everything seems to indicate that it will be voted against, just as it was last week.

No less important within the same context is the announcement made by the EU that it will be sending a delegation to Cuba in November with a view to discussing possible steps to extend cooperation with the island.

Added up, all these facts allow us to clearly distinguish the universal consensus favoring our country in its dispute with the all-powerful United States. In this connection, we think we have turned into the symbol of resistance against a unipolar world that the United States is determined to lead.

When the world supports Cuba, it supports every country's right to self-determination. The masses in Uruguay and Argentina have urged Fidel to resist, and he said all measures have been adopted and will be adopted to preserve our revolutionary process.

All that is left is for us to reaffirm that internally, concretely speaking, we will institute that revolutionary process during the coming sugar harvest, as we will surely do, so as not to fail the sound aspirations of those nations and governments of the world.

Ministry Plans To Regulate, Organize Self-Employed Workers

PA1710145995 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 12 Oct 95

[From the "NTV" newscast]

[FBIS Translated Text] Self-employment will be regulated by new laws in the future, when new measures will be implemented to control, organize, and impose discipline in this activity in Cuba.

Salvador Valdes, minister of labor and social security, participated in a meeting held in Camaguey during which it was reported that over 200,000 people are currently self-employed. Valdes stated that the possibility of organizing these workers into a union or association is being evaluated. He added that the sale of material resources to self-employed workers is also being discussed.

Regional Antinarcotics Meeting Held Behind Closed Doors

PA1210140395 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 10 Oct 95

[From the "NTV" newscast]

[FBIS Translated Text] Specialists in the fight against the Latin American and Caribbean drug trafficking scourge are meeting in Havana to strengthen cooperation. Delegates to the seventh [word indistinct] meeting

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voted unanimously to appoint Cuban Justice Minister Carlos Amat chair of the meeting. Over 30 nations are participating in the event, with the largest delegations coming from Mexico, Argentina, the Dominican Republic, France, Colombia, and the United States. We can only attend the meeting's opening; as usual, reporters are not allowed to attend the sessions. We know that illegal maritime traffic, heroin traffic in the region, and operations and procedures are some of the topics to be discussed behind these closed doors.

Haitians Repatriated in New Phase of Voluntary Program

PA1710161095 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 12 Oct 95

[Report by Sen Castillo; from the "NTV" newscast]

[FBIS Translated Text] Nearly 300 Haitians, who for several months now had been staying at the Refugee Attention Center in Punta de Maisi, Guantanamo, flew back to their country today. This is part of a new phase of the voluntary repatriation program. The International Organization for Immigration financed the operation, in which Cubanacan TU-154 planes were used. The planes departed from Mariana Grajales Airport in Guantanamo.

[Begin recording] [Castillo] This involved two groups, totaling 280 Haitians who had reached the coasts of Camaguey between July and September, 11 children and 72 women among them.

An international Red Cross representative stated that another group of 87 men is waiting at Punta de Maisi to be repatriated.

Last year these operations involved hundreds of people who had fled from Haiti due to political reasons. However, on this occasion, this operation involves emigrants who were traveling to the United States for economic reasons.

In response to a request from Cuban authorities, the International Organization for Immigration financed both of today's flights. With its headquarters in Switzerland and 55 member nations, this is the first time this intergovernmental organization acts to repatriate Haitians voluntarily. Augusto Mariategui, the organization's regional representative for Central America and the Caribbean, stated that this first experience of cooperation with the Cuban Government was successful.

[Mariategui] I think that this first experience is going to bring about more ample cooperation. We will try to get all the aid we can to repatriate the remaining 87 people. In any case, I assure you that the groundwork for a more solid and lasting relation with the Cuban Government has been laid. [end recording]

Deputy Tourism Minister Notes Sector Development

PA1810035795 Havana Radio Havana Cuba in Spanish 0000 GMT 15 Oct 95

[Report by Isis Maria Allen from the "Evening Information Review" newscast]

[FBIS Translated Text] The increase in the flow of tourists Cuba has experienced in the last five years has been maintained, in a sustained fashion, at 16 percent. In 1995, the largest Antillean island is preparing to welcome 720,000 of the 14 million tourists that are expected to visit the Caribbean region this year. Even though this figure may seem small, it is very significant for Cuba at this time, if one takes into account that the number of tourists was 546,000 in 1993 — which was already an encouraging sign.

Among the projections this industry has for the future, the objective is to welcome 1 million vacationers and to increase the number of hotel rooms, according to what Deputy Tourism Minister Miguel Bruguera has said:

[Begin Brugera recording] "We are developing our country's many hubs; we are developing them at the national level to ensure that, in the next five years, we will double the number of hotel rooms we have now: 23,000. We want to build 27,000 new hotel rooms. We want tourism in Cuba to be not only for sun and beach but also linked to nature, families, culture, and our people, who are definitely the best resource we have.

Tourism production in Cuba is not a commitment made by the Tourism Ministry; it is a responsibility of the entire society. It is a responsibility of the national government and all the entities and institutions of this country. [end recording]

Cuba is working hard to increase the level of quality of services, as a priority path to achieving the required levels of competitiveness. Likewise, tourism development in frank alliance with the environment is being planned. Maintaining and developing the positive aspects derived from this industry's progress is also being planned.

[Begin Brugera recording] We are basically working hard, and we are concerned about the quality of services. We are working hard to make tourism a strong ally for the environment. Above all, we want tourism to broaden family ties; we want tourism to be an approach to and a means of broadening family ties, coexistence, and peace. [end recording]

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Attorney General Discusses Corruption Issues

PA1810044695 Havana PRENSA LATINA in Spanish 1510 GMT 16 Oct 95

[FBIS Translated Text] Havana, 16 Oct (PL) — Cuban Attorney General Juan Escalona Reguera today affirmed in this capital that corruption is an issue we all must resolve, and stressed that the developed nations are facing very serious corruption problems.

Upon returning from an international meeting on corruption held in Beijing, PRC, Escalona reported that the forum firmly analyzed the difficult corruption situation existing throughout the world, and advocated its elimination.

We are not exempt from experiencing difficulties in this matter; we believe that, thanks to the new laws and to the work political and mass organizations and people are doing, we could be able to continue to control these activities and show once more that Cuban policies are correct and that we have a solution to these problems — the Cuban attorney general told the local media.

Escalona added that the situations in Italy, the United States, and other European and African countries are critical. At this meeting, the governments were urged to conduct a thorough analysis on this type of problems.

BPIC Director Indamiro Restano Comments on Cuba, Castro

PA1810013895 Caracas EL UNIVERSAL in Spanish 16 Oct 95 p 1-13

[Article by Antonio Fernandez Nays]

[FBIS Translated Text] In 1985, Indamiro Restano decided to publish a small newspaper called A NEW CUBA in which he harshly criticized the Fidel Castro regime. From that moment on harassment, persecution, and even prison were a constant factor in his life as a professional in the communications field.

Today, Restano directs the Independent Press Bureau of Cuba [BPIC] and, following three-and-a-half years in prison, he has managed a certain amount of stability. He is no longer harassed but he only publishes news for abroad, because aside from the official media, the only way to reach the Cuban people is Radio Marti.

In his opinion, the discontinuation of direct pressure has a number of explanations: Castro needs international economic agreements and has to improve his image; there is a current within the Communist Party of Cuba that has generated much dissidence; and independent journalism is an accomplished fact.

In the 1985 newspaper, Restano criticized Castro for "having betrayed the Revolution and taken the path toward Communism, without respect for the principle of the self-determination of nations." For this reason he was arrested at the Radio Rebelde station where he worked and led at gunpoint to police general headquarters.

"They arrested me in this way many times. In December, they kept me prisoner for two months in the political police general headquarters — totally incommunicado — to be later transferred to jail while awaiting trial," Restano explains.

The reporter — even with votes in his favor — was accused of promoting "enemy propaganda," an argument which from his point of view is planned by the regime's repressive machinery "to try people who dare exercise freedom of speech."

Through the intercession of former French President Francois Mitterand's wife, who started an international solidarity campaign regarding the Restano case, Restano was put on parole on 1 June.

"Journalists in Cuba have always lived between autocensorship and jail. Those were the two choices we had until a group of reporters had the 'ethical and professional courage' to organize independently," Restano says.

"The arrests have not continued — only threats from colonels who will not allow freedom of the press, who are aware that the fall of the Soviet empire began not with perestroyka but with glasnost."

Restano recognizes that Castro is an intelligent man, "but he is a super caudillo." Likewise, Restano acknowledges that the regime has done much to educate professionals and has advanced in increasing higher education levels: "despite the fact that education is controlled by a Marxist-Leninist model, there is culture; now what is missing is democracy."

Roundup of Economic Developments Through 18 Oct

PA1810185195

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Cuba monitored through 18 October.

Whereas most agricultural sectors in Granma Province are registering better results, the cattle industry has maintained the levels reached thus far. In September, this industry produced 3,400 liters of milk, a level quite below projected goals. Several factors such as the low number of cows being milked; the low yields per cow; the unsteady supply of fodder and water for the herd; and electricity problems have influenced this

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unfavorable outcome. (Havana Radio Rebelde Network in Spanish 1700 GMT 6 Oct 95)

The Honorable Gilbert Parent, president of the Chamber of Commons of the Canadian Parliament, bringing the first of three donations for the island, has arrived in Havana. The donations, which amount to more than 3.5 million pesos, are mainly antibiotics, vaccines, and medical supplies. (Havana Radio Rebelde Network 1800 GMT 9 Oct 95)

A well-defined strategy will be implemented by year's end when the first rice modernization brigade begins its activities in Granma Province. The brigade will have to prepare 160 caballerias for the sowing of rice. A readjustment in the resources will enable the gradual incorporation of the remaining brigades in an effort to use more lands for this crop. This campaign will help Granma reach a harvest of 52,000 tonnes in 1996, which represents 15,000 more than this year's harvest and twice as many tonnes as levels reached in 1994. According to statistical data, every year, Cuba spends more than $150 million to buy rice; therefore, each additional tonne produced in Cuba involves savings for approximately $400. In this campaign, Granma's rice farmers, who produce nearly as much as 40 percent of the rice produced in the national territory, are producing larger yields with the aid of industrial techniques. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 10 Oct 95)

The first tourism congress is taking place in Holguin Province today with the attendance of the province's 4,000 tourism workers. Although the first major problem this province needs to tackle will be the total commercialization of the province's potential, which today surpasses 2,000 rooms, Holguin welcomed 15 percent more tourists in the first half of 1995 and revenues earned from this traffic exceeded estimates by 17 percent. Urbano Gonzalez, delegate of the Tourism Ministry in Holguin, stressed that "tourism workers have directly contributed more than 27,800 pesos in freely convertible currency in tips to the health sector. This action has placed Holguin tourism workers at the vanguard of the country." (Havana Radio Rebelde Network in Spanish 1255 GMT 10 Oct 95)

As a result of a recovery program under way, the paper mill in Cardenas will produce next year approximately 11,300 tonnes of paper for posters [papel cedulon] and will manufacture 40 million notebooks. Currently, the paper mill's production is at a considerably low point. According to estimates, the mill will close 1995 with merely 1,200 tonnes of paper for posters and 15 million notebooks, and will face losses for 225,000 pesos. In a recent exploratory meeting, Basic Industries Minister Marcos Portal emphasized that "this mill is forced to operate with sugarcane waste and recycled paper because wood pulp is quite costly in the world market. (Havana Radio Rebelde Network in Spanish 1255 GMT 10 Oct 95)

The first phase of the student agriculture program has started in Holguin province and is already yielding positive results. Approximately, 3,700 students have participated and collected more than 25,000 cans of coffee. According to the provincial education council, student attendance in this activity neared 97 percent and the students worked an average of seven hours a day. Students will increase their participation further, now that coffee production enters its final phase with the ripening of the bean. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 12 Oct 95)

A Guantanamo journalist reported that the province has made great progress in the coffee sector because more than 82 percent of the coffee beans has already been harvested in the province. This, he added, ensures record production and high-quality beans because they have not been affected by rains. Last year, 120,000 cans of coffee beans were lost due to the rains. The reporter indicated that this sector has undoubtedly improved in the province because peasants have been allowed to enter the activity, training has been enhanced, and the agriculture ministry has provided resources to improve production. (Havana Radio Rebelde Network 1800 GMT 12 Oct 95)

Santiago de Cuba agriculture workers have increased production of almost all the agriculture products included in the family basket and have reduced state subsidies to this sector by more than 140 million pesos, by the end of September. The local reporter added that during this period, more than 1 million quintals of tubers, grains, and vegetables were produced, despite the strong drought, low fertility of the land, and the damages caused by climatic problems. Such amounts, however, are still not in balance with investments and only cover 50 percent of consumer needs in this eastern sector. The reporter added that despite limitations, the industrial use of mangoes has initiated and that 300,000 quintals of the fruit were harvested and will be used in this activity. The citrus fruit and apiculture workers have managed to halt the drop in production in both sectors and are currently looking to boost production. Also, coffee grain producers are working to contribute $19 million in exports to the state. (Havana Radio Havana Cuba in Spanish 0000 GMT 13 Oct 95)

Juan A. Fleites Melon, general manager of Comercial Cupet, S.A. — a subsidiary of the state-owned petroleum enterprise — has reported that Cuba produced

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1.111 million tonnes of oil during the first nine months of the current year; five percent more than scheduled for the period, according to a 12 October report datelined Havana. He added that if production continues at this rate, Cuba will produce more than the 1.4 million tonnes estimated for 1995. Fleites Melon underscored that the increase in productivity is the result of a better use of resources. He said Cuban oil is used mainly to supply electricity to the country and cement factories and although domestic production does not satisfy the country's needs, it allows the country to save resources. (Havana PRENSA LATINA in Spanish 0201 GMT 13 Oct 95)

Haiti

President Convenes Special Session of Legislature

PA1810233195 Port-au-Prince Signal FM Radio in Creole 1130 GMT 18 Oct 95

[From "The 0730 Appointment" newscast]

[FBIS Translated Text] The Haitian head of state has called a special session of parliament to name a new Haitian prime minister. The Information and Coordination Ministry has issued a press release informing the general public and local and foreign press of the president's 16 October order calling for a special session of the Haitian parliament on 18 October. The session will mark the opening of Haiti's 46th legislature. The legislators must not only vote on a new Haitian prime minister but also approve Haitian Government activities. They will also have to clear the names of former Haitian ministers who have requested this. The legislators will have to vote on several bills, including those on the territorial communities, the arbitration commission, the national budget, the administration of various ministries, and the Haitian Army. The session will last until all of the legislature's work is done.

This order is published at the behest of the Information and Coordination Ministry. The president has convened Haiti's 46th legislature in special session.

Senators View Michel Resignation, Privatization Process

PA1810234995 Port-au-Prince Signal FM Radio in Creole 1130 GMT 18 Oct 95

[From "The 0730 Appointment" newscast]

[FBIS Translated Text] The parliament will debate the appointment of a new Haitian prime minister today.

The Senate will meet for the first time under Edgard Leblanc's presidency today, not only on the prime minister but also on the restructuring issue. Senate President Edgard Leblanc explained yesterday that Haitian Prime Minister Smarck Michel had submitted his resignation in a letter to the senators. The Senate president told journalists that the Haitian president and leaders in the two chambers were scheduled to meet on convening parliament on this issue.

The Senate and the Chamber of Deputies are scheduled to meet today to debate several issues involving the administration of the country.

The newly elected senators formed eight committees on 16 October on issues that various ministries — including social affairs, education, literacy, sports, culture, and health — address. A total of 21 of 27 senators participated in the session to form these committees on 16 October. Other senators lobbied for their own interests: for example, Senator Garcon called for a commission on grassroots organizations. The senators agreed that Prime Minister Smarck Michel's resignation should not affect the privatization process. They believe that as long as it cannot prove that it can survive on its own, the country is condemned to standing around while others make decisions for it. Thus, it was stated at the meeting to form the committees on 16 October that Prime Minister Smarck Michel's resignation should not affect the privatization process.

President Highlights Land Reform at Commemorative Mass

PA1910001395 Port-au-Prince Signal FM Radio in Creole 1130 GMT 18 Oct 95

[From "The 0730 Appointment" newscast]

[FBIS Translated Excerpt] A mass has been held at the National Palace to mark the 189th anniversary of the death of Jean-Jacques Dessalines, the father of independence. His death brought the first coup d'etat in Haitian history. President Jean-Bertrand Aristide delivered an address during the mass in which he recalled that Emperor Jean-Jacques Dessalines was assassinated in a plot that various high-ranking civil servants had hatched. The Haitian head of state praised the emperor's efforts, particularly with regard to land reform. Aristide reaffirmed his willingness to carry on with land reform, within the law and together with the National Institute of Land Reform, the institution that he created to carry out land reform in Haiti:

[Begin Aristide recording] The date of 17 October 1995 [words indistinct] Dessalines (?died) for land reform [words indistinct] we are working within the law to carry out land reform. This does not mean that we will order the land of one person to be handed over to another. The law states that with the institution [words indistinct] will continue to work together so we can manage to assure that Haiti does not remain in the hands of a few people without being able to produce, but that Haiti's lands produce food that will allow the price of

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food products to be lowered, so that Haiti's children can finally feel that — with the law and without fighting — they can manage to have the land produce food for all Haitians without distinction [words indistinct]. [end recording]

Resigning Prime Minister Smarck Michel, members of the national and interim police forces, and several government officials attended the mass in the Hall of Busts at the National Palace. The president reminded the policemen that they must respect the oath they took to remain loyal to the country's president and the Haitian people. [passage omitted]

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Media Reaction to NAFTA's Impact on Economy

PA1810163595

[FBIS Editorial Report] The following is a compilation of media reaction to NAFTA's impact on the Mexican economy.

Mexico City EL FINANCIERO (ANALISIS Supplement) in Spanish on 14 October carries on page 48 a 750-word article by Elvia Gutierrez according to which more than a year after NAFTA went into effect, Mexico's expectation of a macroeconomic expansion and a big export potential is broken. The article explains that as a result of its economic crisis, Mexico was left unprotected and the flow of investments necessary for growth has not come through. According to this article, exports growth rate remains at 17.3 percent annually and imports grew by 21.4 percent at the end of last year. The article notes that in 1994, the GNP grew 3.5 percent and during the first half of this year it had a 5.8 percent drop in real terms. The December 1994 devaluation resulted in a positive evolution of the Mexican export level and up to July the annual growth rate was 32.1 percent. The article notes that during the first seven months of 1995, a total of 829,000 jobs disappeared and this hampered the country's industrial coordination.

Mexico City EL FINANCIERO in Spanish on 15 October carries a 1,000-word article on page 6 by Isabel Becerril noting that almost two years after the NAFTA went into effect with the United States and Canada, the majority of the country's productive sectors have obtained none of the benefits the multinational agreement had claimed it would bring mainly because of the economic inequalities of the three countries. According to a survey conducted among the representatives of the various industrial fields, the NAFTA has not met its objectives of increasing direct foreign investment, increasing exports based on greater competitiveness, and providing legal guarantees to enterprises. "Moreover, the agreement has led to significant disadvantages for companies, especially for small companies, which lack the technology and financial resources to compete with other nations." The article goes on to add that the most serious thing about the NAFTA is that "since 1 January 1994, multilateral agreements and national economic policies have led to the breaking up of the productive networks; to regulate domestic markets, the import of finished goods was favored causing not only a drop in national production but also a halt to investments."

Mexico City EL FINANCIERO in Spanish on 15 October carries on page 7 a 800—word article by Lourdes Gonzalez Perez citing the president of the Industrialists Association of Tlalnepantla, Guillermo Cortes, who said that a total of 300 small companies of his association have had to close down, leaving 33,000 persons unemployed. Meanwhile, Roberto Sandoval Fascio, president of the Council of Capital Goods, said the government always created high expectations with the trade agreement but productive sectors have seen nothing benefiting them yet. Likewise, Gustavo Castaneda Ramirez, president of the Furniture Council, said that NAFTA results have been totally negative for the sector up until now. Castaneda said "tariff costs are much higher for parts than for finished products with NAFTA and that inhibits production."

Secretariat Wants Details on U.S. Immigration Control Plans

PA1810201395 Mexico City LA JORNADA in Spanish 17 Oct 95 p 23

[By Jesus Aranda]

[FBIS Translated Excerpt] The Foreign Secretariat (SRE) has asked the U.S. State Department for a detailed explanation of U.S. Attorney General Janet Reno's announcement that federal prisons and a jail at the Miramar Naval Air Station will be set up to house illegal aliens who repeatedly break the law in that country. The SRE has also turned to the U.S. Embassy in Mexico for information on the alleged extension of Operation Guardian in the Tijuana-San Diego area. Juan Rebolledo, assistant foreign secretary for bilateral affairs, and Enrique Loaeza, director general of protection and general affairs, were in charge of contacting U.S. authorities to find out their official position on the matter. Although the SRE considered issuing an official statement on Reno's announcement, the decision to do so was delayed to gather all possible information on which to base the Mexican position. [passage omitted]

Zedillo Speaks Up For Indigenous Population's Rights

PA1810155095 Mexico City NOTIMEX in Spanish 1755 GMT 17 Oct 95

[By correspondent Fernando Sanchez Marquez]

[FBIS Translated Text] Bariloche, Argentina, 17 Oct (NOTIMEX) — Mexican President Ernesto Zedillo today presented to the Fifth Ibero-American Summit a proposal on how to secure full respect for the social and individual rights of the indigenous population.

The proposal is aimed at promoting an effective justice by acknowledging the community traditions and human rights of the indigenous population and by fostering the participation of their traditional authorities, Zedillo explained.

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Speaking to the chiefs of state and government of Latin America, Spain, and Portugal, the Mexican president outlined the five points of his proposal, which also is aimed at the indigenous population directly participating in the edification of a future with dignity and justice.

In his final speech at the Ibero-American Summit, which concluded Monday, Zedillo explained that the proposal seeks, first of all, the ratification of the Ibero-American governments' commitment with the creation and efficient utilization of the Fund for the Development of the Indigenous People [Fondo para el Desarrollo de los Pueblos Indigenas].

Zedillo noted that his proposal also wants to establish a new and suitable deadline for determining the economic commitment that each country will assume to guarantee the continuation of the fund, whose technical secretariat functions with Bolivian support in La Paz.

The third point calls for promoting at the OAS the creation of a Permanent Forum of Indigenous People [Foro Permanente de Pueblos Indigenas] to encourage the creation of a chapter of this forum in all the countries.

The Mexican president added: The fourth point calls for consultations on the Inter-American Declaration of the Indigenous People Rights [Declaracion Interamericana de Derechos de los Pueblos Indigenas] proposed by the Inter—American Institute on Human Rights [Instituto Interamericano de Derechos Humanos].

President Zedillo said that the fifth point of the proposal is aimed at initiating consultations to hold an Ibero-American summit on bilingual and bicultural education.

In the final session of the two-day meeting, the Mexican chief of state said that if the rights of the indigenous people are strengthened, the nations will be able to make more solid progress to resolve shortages and snags.

Reinforcing their rights will also permit the indigenous people to incorporate themselves to economic growth, employment, and opportunities with respect for their identity, their culture and their traditions, Zedillo said.

The Mexican president stated: "We want to strengthen the capabilities of the indigenous people to safeguard and develop their cultural expressions, defend their traditions and customs, and to show respect for their forms of community organization and representation."

Mexico's objective, Zedillo said, is to promote the creation of a new relationship with the indigenous communities.

Following the final working session, the Fifth Ibero-American Summit was closed by Argentine President Carlos Menem, who considered that the objectives of the meeting had been accomplished.

Government, EZLN Delegates To Resume Peace Talks

PA1810192695 Mexico City NOTIMEX in Spanish 1649 GMT 18 Oct 95

[FBIS Translated Text] San Cristobal de las Casas, 17 Oct (NOTIMEX) — Delegates of the government and the Zapatist National Liberation Army (EZLN) will establish today, in the southern State of Chiapas, six working tables to analyze the issue of "Indigenous Rights and Culture."

The tables, which will be the first in which the causes that originated the armed conflict in Chiapas will be discussed, will be set up in San Cristobal de las Casas and in San Andres Larrainzar, the latter being the permanent seat of the negotiations between both parties.

Marco Antonio Bernal Gutierrez, head of the government delegation, stated that in this meeting the parties in conflict will try to make their positions clear in order to resolve the conflict.

In statements to the press prior to the beginning of the meeting, the government representative affirmed that there will not be limits or "boundaries" preventing the guests from both parties from expressing their opinions regarding the problems affecting Indian communities in Chiapas.

Bernal Gutierrez explained that during the six days that this meeting will last, no decision will be made but consensus will be sought to pave the way for resolving the problems of the different ethnic groups.

"We have not established any limits; we come here with the hope that there are viable and acceptable answers to the problems Chiapas residents are suffering," the head of the government delegation stressed.

In case the parties propose to discuss topics of national interest and if there is consensus on the indigenous issue, these proposals will be channeled through the corresponding ways, he added.

Although Bernal Gutierrez expressed they do not hope to confront difficulties in the difficult days of work that lay ahead, he noted that "the worst thing that could happen is that no consensus was reached."

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The issues that will be discussed in this first round of negotiations will be the guarantees and justice for the Indian peoples, political participation, rights of Indian women, access to the media, culture, and autonomy of the Indian peoples.

The parties last September agreed to install the first working table to analyze the causes that prompted the EZLN uprising in January of 1994, in the southern State of Chiapas.

The Government of President Ernesto Zedillo and the armed group resumed the negotiations process in April, in an effort to resolve the conflict.

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El Salvador

Acting President Predicts Higher Inflation

PA1810162595 San Salvador EL DIARIO DE HOY in Spanish 17 Oct 95 p 12

[Report by Marvin Portillo]

[FBIS Translated Text] Acting President Enrique Borgo Bustamante has said the inflation rate this year will be higher than one digit, contrary to President Calderon Sol's predictions in the sense that there will be a "negative inflation" trend during the rest of the year.

"No one believes anymore it will be possible to end the year with a one-digit inflation rate; that possibility should be ruled out," Borgo said after inaugurating the First Central American Meeting of Journalists in this capital.

President Armando Calderon Sol last week termed as "alarmist" statements in the sense that inflation would surpass 10 percent in 1995. He predicted what he described as "negative inflation" for the rest of the year.

Roberto Orellana and Gino Bettaglio, Central Reserve Bank president and vice president respectively, were more cautious, however, saying the inflation rate "could reach approximately 10 percent by the end of the year," implying that it could be 10 percent more or less.

According to official statistics, the accumulated inflation rate as of September totaled 10.3 percent, while the annual inflation rate (comparing September 1995 to September 1994) reached 12 percent. Borgo said, however, it is very unlikely that the inflation rate will drop.

"The inflation will start declining but not the inflation rate," the acting president predicted.

Borgo said "no where in the world has inflation dropped, and we do not believe it will fall during the rest of the year."

Borgo also admitted what economic authorities had been denying thus far: That the country is facing an economic recession as a result of the monetary measures implemented by the Central Bank.

"There has been a recession, a reduction in economic growth, which is not convenient and which we do not want," he has said.

The Right Path

Borgo has said, however, the measures adopted by the Central Bank to control inflation are on the right path," as the first results can be seen already. [no opening quotation mark as published]

"The measures being adopted, he has said, are beginning to produce a restriction in the availability of credits, just like a bad-tasting medicine we must take anyway."

He has said the increase of credits this year is due to a great extent to the confidence international banks have in the country, which resulted in an increase in the availability of international credits for the private sector.

"The confidence in the country abroad has made it possible for international banks to offer many dollars to El Salvador, and private banks have received those loans. The inflation rate increased as a result of the availability of credits encouraged by our good image.

He added that the beginning of the harvest season will also contribute in slowing down the inflation process.

Borgo has said that the inflation climbs when the fiscal deficit grows and that the government resorts to issuing money without backing to cover that deficit, "something which has happened in the past." He added that, nevertheless, "this year's fiscal deficit will be lower than last year's" based on the estimated increase in the collection of value-added taxes.

Defense Minister Views Need for Armed Forces

PA1810142795 San Salvador LA PRENSA GRAFICA in Spanish 14 Oct 95 p 8-A

[Article by Defense Minister Humberto Corado Figueroa; from the "Opinion" column: "The Military Factor of Society"]

[FBIS Translated Text] No sovereign nation-state can consolidate its potential without planning its general development in the various national fields of action, this is to say, the economic, political, social, and military fields. The state that successfully projects its capability to the international community is that which survives with relative self-sufficiency and independence in the interdependent world where we have to live.

A quick survey of the world's developed nations shows that their strength is directly proportional to their economic power, the political freedom their citizens enjoy, the degree of well-being attained in terms of education, health, housing, and other benefits derived from modern comfort; and the deterring capability that makes it possible for these countries to counteract the various conflict hypotheses imposed on them by their geostrategic situation in the world. Undoubtedly, all potential is relative and circumstantial for the various countries because the lightning-fast progress we observe indicates that the success attained cannot remain unchanged for many years without the presence of a stable, integrated, and coherent national policy.

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Unfortunately for mankind, political subjects settle their disagreements by force whenever their opposing positions admit no peaceful solutions. The social phenomenon of war then takes place. Why war?, Albert Einstein asked Sigmund Freud once. The famous psychoanalyst is not the only one unable to answer this question. There are instincts, beliefs, and political considerations that have led people to confrontations despite considerable efforts to do away with violence in mankind.

Unfortunately, the effects rather than the causes of conflicts are generally studied, yet with normally discouraging results. Deep inside us, we instinctively ignore in various ways the possibility of this human fact materializing in our society as a way to escape the surrounding reality. For this reason, we often hear superficial remarks by persons who want to make us believe that we are safe from confrontations and local emergencies without studying in depth human nature and the existence of interests that lead us to disagreements with our fellow human beings.

This happens because we ignore the fact that the state is the political subject par excellence and that, therefore, it must almost continually fight for its patrimony and interests. The state, exercising its leading role in the society, watches over the people's protection. For this reason, the state must be given its own professional and efficient defensive instrument, which can give the state the necessary freedom of action to implement national policies.

In the various stages of the country's history, the Armed Forces have written truly important chapters in the search for stability and preservation of the state, its institutions, the democratic system, and the Western Christian culture.

The Armed Forces have always acted with specific national purposes to defend and protect the various sectors of the society whenever the country's interests and the Republic in general have been in real danger. This concept highlights how important it is for an organized society to have a military instrument to defend itself.

Now that the internal conflict is over, some people doubt the possibility of various conflict hypotheses materializing in the future. We respect but cannot accept these remarks because, despite the spectacular changes that took place after the collapse of totalitarian governments, threats in the world only have been transformed and the world is now more unpredictable and unsafe than before the fall of the Berlin Wall in November 1989.

Let us take a quick look at what happens in Europe and what could happen in our continent.

The world in general signs economic agreements, but countries maintain their political independence and retain their state nature because there are ethnic, cultural, political, and psychosocial interests that override commercial interests and preclude the so-much-desired unity. Instead, what we see is that the Soviet Union and old Yugoslavia have fallen to pieces with increasing ferocity. The main causes of nearly all conflicts in our continent have been territorial disputes and ideological disagreements.

These two factors have virtually disappeared but we observe with great concern the proliferation of other elements that distort coexistence: Uncontrolled migration, drug trafficking, regional disagreements over difficulties for accessing strategic materials, the conquest of new markets, and constant struggle for the dispossessed masses. We believe there are realities that upset governments, which eagerly seek to outline adequate policies and strategies for the solution of many existing necessities.

Because of this, we should not trust mirages. The best we can do is to propel our country to modernity without neglecting any field of action because it would be dangerous for our own identity and leading role in the international community.

Finally, dear fellow countrymen, if we wish to see our country turned into a modern and prosperous state, where justice, people's safety, good medical attention, opportunities for education prevail, and have a roof over our heads, let us make sure that everyone — both governors and those who are governed — makes an effort to provide for our society, in which safety and defense are vital factors, a professional and respectable Armed Forces, capable of assuming the defense of the patrimony, life, and properties of those of us who, thank God, were born in this blessed land.

Guatemala

President Views Vice President's Comments on UN Expert

PA1810154695 Guatemala City LA REPUBLICA in Spanish 15 Oct 95 p 4

[FBIS Translated Text] President Ramiro De Leon Carpio has said he respects the opinion of Vice President Arturo Herbruger Asturias that UN expert Monica Pinto must not keep coming to Guatemala, because her information is false, but he does not agree with Herbruger.

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De Leon spoke about the statements Vice President Herbruger has made to the media that "it is false that military authority prevails over civilian authority," as independent expert Pinto has said. The vice president has said it would be better if she did not come to Guatemala, because her reports are false. He cited as an example the resignation of Defense Minister Mario Rene Enriquez, who quit after the Xaman incidents.

The president added that as far as government policies are concerned, there has been no disagreement and that opinions may be controversial. As for Vice President Herbruger, given his position and personality, he is a Guatemalan institution. De Leon added that he respects Herbruger's opinions but does not agree with him.

He has said that they have maintained good relations and that they have a great deal of confidence. They have never had a problem, a point which is a historical feat for a president and vice president. Their opinions do not agree, however, on certain occasions, as is the case with the aforementioned situation.

Defense Minister: Foreigners Infiltrate URNG Ranks

PA1810141795 Guatemala City PRENSA LIBRE in Spanish 15 Oct 95 p 6

[FBIS Translated Text] Defense Minister General Marco Antonio Gonzalez Taracena has said there is evidence that foreigners are infiltrated within the ranks of the Guatemalan National Revolutionary Unity, URNG, especially in the columns occupying towns in the countryside. *The reports the residents of San Francisco El Alto have filed indicated there were foreigners in the group of insurgents that took over the town*, the military officer has affirmed.

On 13 October, a column consisting of approximately 150 people occupied San Francisco El Alto and Momostenango, Totonicapan, where they staged a rally and stole the weapons the National Police agents use.

In decrying the incident and the presence of foreigners, Gonzalez has said this situation could signify that the URNG is seeking to intensify the armed conflict instead of consolidating the peace process. *This is regrettable, because it demonstrates the intentions of worsening the levels of the internal armed conflict, something which is not advisable for the Guatemalan people, as everyone is expecting this situation to end*, the defense minister has said.

Gonzalez concluded by saying the Foreign Ministry would be asked to help if the nationalities of the people infiltrated in the rebel group are confirmed. This will be done to ensure that the countries from where the people who are identified as members of the subversion came will cooperate.

Poll Shows Presidential Preferences for Nov Elections

PA1810185695 Guatemala City SIGLO VEINTIUNO in Spanish 15 Oct 95 p 2

[FBIS Translated Text] Alvaro Arzu, presidential candidate of the National Advancement Party (PAN), ranks first in the people's preference, followed closely by Alfonso Portillo of the Guatemalan Republican Front (FRG), according to the last poll conducted by the Association of Investigation and Social Studies (ASIES) [Asociacion de Investigacion y Estudios Sociales].

Poll samplings indicate that Arzu has 41.7 percent of the votes at national level, 61.3 percent in the metropolitan sector, and 36.2 percent in the rural area. In the urban interior region he attained 39.2 percent.

Portillo of the FRG is far behind with 10.3 percent in all the country. This percentage increased to 11.4 percent for the interior part of the country and dropped to 7 percent for the metropolitan region. In the urban area of the interior it registered 10.1 percent in his favor.

Fernando Andrade Diaz-Duran of the National Alliance (DC-UCN-PSD) [Christian Democratic Party-National Union of the Center-Social Democratic Party] is third, attaining 7.9 percent at national level. In the metropolitan area he barely got 3.3 percent, although this figure increased to 8.7 percent in the rural area. For the urban interior sector he attained 9.6 percent.

He is followed by former Attorney General Acisclo Valladares Molina of the Progressive Liberator Party (PLP), with 5.4 percent at national level, 4.1 percent in the metropolitan area, 6.3 percent in the rural area, and 4.3 percent for the urban interior region.

Fifth is Jose Luis Chea Urruela of the Democratic Union (UD) with a total of 2.7 percent. He is followed closely by former Defense Minister Hector Alejandro Gramajo (PID-FUN) [Democratic Institutional Party-National Unity Front] with 2.2 percent at national level. Pepe Fernandez of the People's Party (PP) is seventh with 1.1 percent at national level.

Behind Fernandez is Rolando Torres Casanova (DIA) [Authentic Overall Development] with 1 percent and Jorge Gonzalez del Valle (FDNG) [New Guatemala Democratic Front] with 0.9 percent.

Null votes continue to be important. The poll shows that 15.1 percent of the persons have said they will cast null votes, 0.2 percent said they will destroy their ballots, and 8 percent did not respond.

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Poll: 88.7 Percent of the People Will Vote

The ASIES poll stresses the great percentage of Guatemalans who have said they will vote on the 12 November elections.

Asked if they will vote on 12 November of this year, 88.7 percent of those interviewed responded affirmatively. Meanwhile, only 7.2 percent said they will not vote and 3.7 percent said they are undecided.

Despite the civic will manifested, only 8.7 percent of the persons polled views the country's situation as *very good*, while 50.2 percent said the situation is bad.

Also, it is interesting to note that when asked if they care who wins the elections, 47.6 percent of the people said they do, while almost 40 percent said they don't care.

Despite the advantage shown by the PAN candidate over his closest contender, most of the persons polled believe there will not be any definitive winner in the first round.

Of the total, 53.8 percent believe that runoff elections will be needed to elect the president, while 28.8 percent believes it will not be necessary and 16.8 percent do not know.

PAN Members Will Control the Congress

According to the results of the ASIES poll, the PAN will control the next legislature, with its candidates obtaining 26.5 percent of the votes at national level and 29.2 percent at department level.

It is followed by the FRG with 9.3 percent in the list at national level and 8.1 percent in the department list, followed by the UCN with 6.5 percent at national level and 7 percent at department level.

Next in relative importance is the DCG [Guatemalan Christian Democracy] with 3.7 percent at national level and 4.2 percent at department level.

The UD [Democratic Union] follows with 3.1 percent at national level and 3.5 percent at department level. It is followed by the PLP with 2 percent at national level and 2.8 percent at department level.

Last are the rest of the parties with percentages that did not even reach 1 percent.

Bank of Guatemala President Interviewed

96CA0011A Guatemala City CRONICA in Spanish 8 Sep 95 p 39

[Interview with Bank of Guatemala President Willy Zapata by Nancy Avendano Maselli; place and date not given]

[FBIS Translated Text] [Avendano Maselli] During the last week of August, the dollar rose by over 10 cents. What was the reason?

[Zapata] Excess liquidity in the economy.

[Avendano Maselli] What factors caused the surplus of money?

[Zapata] As a general rule, the amount of money available rises at the end of every month because of salary payments to government personnel. This time, however, the situation resulted from the fact that Certibonds and Cenivacus came due.

[Avendano Maselli] Was that when BANGUAT [Bank of Guatemala] decided to intervene?

[Zapata] Yes. On 29 August, the Central Bank invested 200 million quetzals in Term Deposit Certificates in order to absorb the liquidity.

[Avendano Maselli] But the Central Bank has been reducing the supply of government securities, based on the argument that there is a scarcity of money in the system.

[Zapata] That is not true. There has been enough money during the year. That is why it has not been necessary to continue a policy aimed at ensuring liquidity. On the contrary, BANGUAT has invested everything that has come due, without allowing the balance to go up or down. Nevertheless, pressure on the rate of exchange has grown in recent days because of the increase in the demand for foreign exchange to be used for imports.

[Avendano Maselli] Does that mean that BANGUAT will intervene once again?

[Zapata] No. The bank gets involved only when foreign exchange is needed to amortize the foreign debt or when there is speculative pressure. If we were to prevent the price of the currency from rising when the demand for imports increases, we would be providing the merchants with cheap dollars, and that is not good for the country.

[Avendano Maselli] What will be the trend of the exchange rate?

[Zapata] That will be determined by the free market. On 30 August, the exchange rate for sale went to 5.93 quetzals, but on 1 September, it was around 5.82. I

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believe that by the end of September, the problem of the supply and demand for dollars will have been solved, because that is when foreign exchange will start to come in for coffee exports.

[Avendano Maselli] Will it be necessary to adjust the inflation goal for this year?

[Zapata] The consumer price index, which is a cumulative 4.5 percent, shows that there is no direct effect, because it is not Guatemalan products that are being purchased but imports that will enter the country in December.

[Avendano Maselli] What is the reason for the increase in the exchange rate gap?

[Zapata] There has been no significant gap between the rate of exchange for buying and for selling. What has happened is that Guatemala still follows a policy of a fixed rate of exchange. If one compares the weighted average of 1 September, which was 5.86 quetzals, with the same day of the preceding year, one sees that the quetzal has dropped by 1.5 percent. When one considers that inter-annual inflation was 8.5 percent, one can say that the figure of 1.5 percent signifies an appreciation of the quetzal in real terms.

Cease-fire: Convenient Treaty

96CA0009A Guatemala City CRONICA in Spanish 8 Sep 95 pp 22-23

[Article by Felix Colindres]

[FBIS Translated Text] The deal was closed. After long deliberations, the commanding officers of the Guatemalan National Revolutionary Unity (URNG) and delegates from the main political parties concluded a deal that surprised many. The guerrilla leadership offered to suspend military operations unilaterally from 1 to 13 November, in exchange for which the political parties would agree to honor agreements emanating from the peace process. In other words, by virtue of their actions, they would back the constitutional reforms agreed upon at the peace negotiating table and authorize the guerrillas' integration into political life.

Like the shrewd businessmen that they are, both sought the best time and most favorable ground for reaching an agreement: the Fourth Central American Conference of Political Parties sponsored by the Central American Parliament (PARLACEN) on Contadora Island, Panama, at the end of August. Their agreement benefits, not just the guerrillas and political parties, but the government itself, which is gearing up to get all it can out of the agreement.

Beneficial Agreement

The possibility of a cease-fire, even temporary, has been mentioned every year and every year it has vanished in thin air, therefore, when the PARLACEN Political Commission decided to call the opposing sides together to negotiate the laying down of arms, very few dared predict success. In the end, the politicians did not succeed in having the government's representatives negotiate for the Army, but they did get the two rebel commanding officers: Rodrigo Asturias, aka "Gaspar Ilom," and Jorge Soto, aka "Pablo Monsanto," to promise that, "as a good-will gesture and in a spirit of facilitating the exercise of political rights by the people of Guatemala," the URNG would suspend its military operations from 1 to 13 November.

Nevertheless, even though the government delegation remained silent, the delegates from the political parties raised their right hands to respond to the guerrillas and, in what is regarded as a kind of blackmail, agreed to support the agreements made by the government and the URNG.

The so-called Contadora Declaration containing the pledges made by the guerrilla commanders and politicians was well received by nearly all sectors. Nevertheless, the good news masks another reality, that of the special interests of the rebel command, the government and the political parties.

All Win

According to Manuel Conde, head of the PARLACEN Peace Commission, over the course of the 13-day cease-fire, the URNG will win politically everything it failed to gain during the 35 years of the armed confrontation. In that lawmaker's opinion, the URNG believed that a laying down of arms was imminent, and sooner rather than later. "Appealing to various levels of the PARLACEN Peace Commission, the Legislative Assemblies of El Salvador, Honduras, Costa Rica and PARLACEN itself asked the opposing sides for a cease-fire," Conde explains. "In addition, the guerrillas foresaw strong pressure when they received like requests from the Legislative Assemblies of Nicaragua, Panama and Guatemala," he adds.

Nevertheless, other analysts agree that rather than comprising part of a strategy, the URNG's attitude stems from a circumstantial tactic. For example, Miguel Angel Balcarcel believes the guerrillas intend to send a message to those present at the bargaining table that they can move ahead on discussions of substantive issues. On the other hand, Elfidio Cano thinks the rebel command has viewed the 13-day truce as an opportunity to prepare for another form of struggle: Politics. "During

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that period, their leaders, intermediate-level cadres and sympathizers will be able to mobilize without difficulty in order to participate actively in the next presidential elections," he explains. At this point in the process, it is a point of interest to the rebels. Analysts argue that it is in the URNG's interest to discuss it away from the bargaining table since the cease-fire is among the last points on the agenda. In addition, they had to take advantage of the fact that other parties—the politicians in this case—were asking for it.

All agree that the major gain—for the URNG and the government—was that the political parties agreed to ratify the agreements resulting from the peace process, something both sides had feared would not happen. After all, signals had come from Congress on several occasions to the effect that there would be no backing for agreements to which the congressmen had not been a party.

Opportunist Witness

So lavish was the "feast" that without making the slightest commitment in the negotiations, even the government would try to make the most of the guerrillas' unilateral declaration. Indeed, the government reportedly already had plans to exploit the URNG's decision for the benefit of the Executive Branch. In other words, official propaganda would argue that the attitude of the commanding officers was the result of the favorable conditions that the Guatemalan president had managed to create in the country.

In addition (still according to Conde), the opposing side that did make commitments during the negotiations—the politicians—also got what they wanted. Henceforth, they will be closer to the process. Hector Klee, chairman of the PARLACEN Political Commission, says party organizations will have an opportunity to see the draft peace agreements officially before they are taken to the negotiating table. As a result, they will be able to address issues contained therein.

Achievements in this area have not come about without internal conflicts, however. In the course of the meeting, a conflict between the PARLACEN Peace Commission headed by Conde and the Political Commission chaired by Klee surfaced. The disagreement stemmed partly from the fact that while Conde worked to have Central American Legislative Assemblies exert pressure on both sides to accept a cease-fire, the one to capitalize on the results of the Contadora Declaration was Klee, a candidate for a deputy seat in Congress for the UCN-DC-PSD [National Civic Union-Christian Democratic-Democratic Socialist Party] alliance.

Nor were the complaints long in coming. According to Conde, "the final declaration does not bear the signature of PARLACEN President Augusto Vela or Parliament's official seal. If it had been given institutional status, the general secretaries of the political parties or the presidential candidates—even a representative of the government of Panama—would have participated." Meanwhile, Klee argued that for six months and practically in secret, he had been in contact with the guerrillas despite "the obstacles and professional jealousy of people who believed that that work was not within my jurisdiction." Klee explains that "I staked my political career," adding that the achievements of the commission which he headed can also be attributed to PARLACEN.

Waiting

Whatever history's verdict on the issue of peace, the politicians are determined to have some influence on it! In addition to party interests, the Contadora meeting has given rise to three new aspects: A change of opinion on both sides with respect to the results of the peace process; a need for international pressure; and the effect of political organizations. With respect to the first, the guerrillas' spokesmen and the government had to cast off their pessimism. Gaspar Ilom had stated that "to impose a cease-fire outside of the peace negotiating process, which has its own agenda and logic, is unfeasible, unviable and irrelevant." In the words of Hector Rosada: "a permanent ceasefire, yes; a truce, no." It also became evident that from time to time, both sides need international pressure in order to make important decisions. Finally, no longer will politicians be able to ignore the peace accords because they will be the ones to implement the process in 1996, when Ramiro de Leon leaves the presidency—provided that both sides respect the new commitment made by the guerrillas and do not use it as a tactic of attrition.

CACIF Suit To Withdraw From Talks Rejected

96CA0015A San Jose LA NACION in Spanish 27 Sep 95

[Received via Internet]

[FBIS Translated Text] Guatemala, 27 Sep (ACAN-EFE) — Guatemalan President Ramiro de Leon Carpio yesterday rejected a petition filed by businessmen to have the government suspend its peace negotiations as long as the rebels continue to extract a "war tax" from landowners.

De Leon told the press "it is impossible" to accept the petition from the the Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associa-

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tions (CACIF), the leading organization of Guatemalan businessmen.

"We have endured 34 years of armed conflict and the peace process has to face obstacles, but to withdraw would be an act of grave irresponsibility on my part," De Leon emphasized, adding that he understood the businessmen's position "because they have their reasons." The president called on landowners to "reflect" upon their position, and recognized that "it causes great anger, and is reprehensible, to see lives lost or individuals punished by being made to pay a war tax. It is unfortunate, but it is one element of the process."

Humberto Petti, president of the Chamber of Agriculture, one of the organizations comprising CACIF, announced that he would tell the international community about the "blackmail" and "extortion" practiced on his membership by members of the organization known as Guatemalan National Revolutionary Unity (URNG).

De Leon called progress on the peace dialogue with the URNG "satisfactory." The government has signed six agreements with the group in Mexico, where the talks are being held. The political parties participating in the 12 November elections have agreed to respect them as "government accords," while the guerrilla will, for the first time in its history, declare a unilateral truce from 1 to 13 November to facilitate the voting.

Since the end of last week, peace talks have continued in Mexico, with discussions of the country's socioeconomic and agricultural situation. This is the penultimate point on the agenda of the so-called "substantive issues" to be discussed in the effort to find a solution to the causes of the war that broke out in 1960.

The process is being mediated by the United Nations and will conclude on an undetermined date with the signing of a "firm and lasting" peace agreement that President De Leon considers "irreversible." According to private humanitarian organizations, the armed conflict in Guatemala, the only such conflict in Central America, has resulted in the deaths of 150,000 persons, the exile of another 45,000 in Mexico, and the disappearance of a like number of people.

Army: URNG To Blame If Timetable Broken

96CA0002A San Jose LA NACION in Spanish 15 Sep 95

[Received via Internet]

[FBIS Translated Text] Guatemala 15 Sep (ACAN-EFE) — The Guatemalan National Revolutionary Unity would be solely responsible for any breakdown in the timetable of negotiations proposed by the United Nations in its effort to end hostilities in this country, the Army warned yesterday.

Rebel leader Pablo Monsanto said in Mexico that the URNG would be willing to join with the current government of President Ramiro de Leon Carpio in signing only agreements on "substantive" issues on the agenda, but ruled out any overall peace agreement.

On 14 January 1996, De Leon will hand over power to the candidate emerging as the winner of the general elections scheduled for 12 November.

Responding to Monsanto, Army spokesman Colonel Guillermo Caal said the guerrillas would be solely responsible for any change in the UN timetable.

"The rebels' responsibility for any potential effects which another breakdown of the timetable might have would be obvious," he maintained.

Caal said the Armed Forces remain steadfast in their determination to put an end to the armed conflict as soon as possible, a conflict which humanitarian groups say has resulted in over 150,000 deaths since 1960.

Nevertheless, neither side has held to the schedule presented to them by the United Nations. The overall peace agreement was to have been signed in August.

The process is lagging and the URNG and government have not completed their discussions of "substantive" aspects, discussions which must precede any analysis of "operatives" dealing with the demobilization of rebels and their reintegration into political life.

The military leader emphasized that the Army is willing to sign the final peace agreement this year, but went into no further detail than to note that that task belonged to the government's Peace Commission (COPAZ).

At the latest round of talks, which ended this week in Mexico, Monsanto agreed with COPAZ Chairman Hector Rosada that there had been progress on discussions of socioeconomic factors and the agricultural situation.

Nevertheless, the URNG has ruled out signing any agreement on such matters in September.

In addition, Gilberto Schlitter of Brazil, who is UN Secretary General Butros Butros Gali's special envoy to the Guatemalan peace process, told ACAN-EFE not long ago that the United Nations does not expect such an agreement to be signed in September or October.

Schlitter said that what is most important is to give substance to any agreements signed by both sides.

After exhausting that issue, the URNG and COPAZ must begin to analyze the last "substantive" point,

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ie., the strengthening of the civilian government and the Army's role in a democratic society, followed by "operative" issues, in keeping with the UN timetable.

Guatemala is the only country in Central America where civil war is still raging. The conflict began in 1960 and has taken over 150,000 lives, private humanitarian organizations say.

FDNG Presidential Candidate Gonzalez Interviewed

96CA0010A Guatemala City CRONICA in Spanish 8 Sep 95 pp 32-33

[Interview with Jorge Gonzalez del Valle, New Guatemalan Democratic Front (FDNG) presidential candidate, by Haroldo Shetemul]

[FBIS Translated Text] [Shetemul] How did you become the presidential candidate of the New Guatemalan Democratic Front [FDNG]?

[Gonzalez] In July, I received a telephone call at my office in Mexico asking me to meet with envoys from the FDNG. When we talked, they told me they had a list of pre-candidates that included Gert Rosenthal, Jorge Mario Garcia Laguardia, and myself. I then came to Guatemala to speak with party leaders and was proclaimed the candidate on 29 July.

[Shetemul] So you were not involved in the creation of the party?

[Gonzalez] I learned about the effort to build a broad front in January. At the time, I was invited to a dinner at the home of Jose Angel Lee. Alfonso Bauer Paiz, Mario Monteforte, and Victor Hugo Godoy were also present. Oscar Clemente Marroquin sent his regrets. They talked to me about creating the organization based on the Assembly of Civil Sectors. I later returned to Mexico.

[Shetemul] You are remembered as a Rios Montt official. Did you learn about the massacres of peasants at the time?

[Gonzalez] No, absolutely not. General Rios Montt called me with the promise that even though his government emerged from a coup, it would carry out the program of 1974. In other words, the proposals were similar to those of the FDNG at the present time. Not even four months had gone by when those kids—said to be "lawbreakers"—were shot. I then submitted my resignation to Rios Montt and he asked me a strange question: What did the Central Bank have to do with politics? I told him that everyone is offended by human rights abuses. He then asked me to give him a little more time and he would explain. He came close to telling me that he was not responsible, that the decisions had been made above his head. I will never forget it. He led me out of his office in the Presidential Mansion and took me for a walk in the gardens, saying "You do not know how the garden was done." And there, out of earshot of the microphones, he asked me not to leave.

[Shetemul] What were the main points of your government program?

[Gonzalez] It is threefold: Peace, progress on democracy, and the policy of socioeconomic development. On the first point, the government's agreements with the URNG must become government commitments. Concerning the second, we see a need to integrate the Mayan people into politics. We must have regionalization and ethnic autonomy, based on two elements: Establishing local authority in the community and pluri-ethnic representation in Congress. As for the third point, we want economic policies to serve social progress rather than having the latter be the result of economic policy.

[Shetemul] Being realistic, do you think you have any possibility of winning?

[Gonzalez] Yes. Vacuums have been created resulting in new opportunities, but we have never lifted a finger. We are aiming our campaign at that 80 percent of the voters who abstained, some 2.5 million persons who would have no election alternative. The key to our success will lie in getting the abstainers in rural areas to come out and vote. We shall win on the first ballot with 51 percent of the vote.

[Shetemul] Don't you think the Revolutionary Party's (PR) lack of prestige might affect it?

[Gonzalez] That is a calculated risk. The other option was not to participate and commit ourselves to creating the party. The PR was the only one that did not impose conditions on us. It wanted to wipe the slate clean and recover those members it had been losing for various reasons, such as the stain of the government of Lucas Garcia. What is incredible about the case is that the PR consented to the change in name and symbol.

[Shetemul] You said not long ago that if you did not win on the first ballot, you would ask voters to abstain. Why?

[Gonzalez] If the FDNG should decide to negotiate with another party on the second ballot, it can do so because it does have structures for political bargaining. I personally believe this would distort the nature of the front as a civic-political test and I would not enter into personal negotiations.

[Shetemul] The FDNG has leaders who are rejected by the civil patrols. Do you not believe that your participation in the election could polarize the situation even more?

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[Gonzalez] In Huehuetenango and Quiche, the patrols have harassed our colleagues. It has also been claimed that FDNG tracts were found at a URNG [Guatemalan National Revolutionary Unity] camp when we did not even distribute any. They tried to intimidate Rosalina Tuyuc when she was traveling from Totonicapan to Solola. I am scheduled to meet with Ramiro de Leon Carpio and I intend to request that in addition to guaranteeing a neutral campaign, he exercise his authority as commander in chief of the Army to keep them from intimidating us.

[Shetemul] When people began to talk about the Democratic Front, a number of groups rallied round the organization, but they gradually drifted away. The UASPP [Unity of Trade Unions and Popular Action] practically ended up alone.

[Gonzalez] That is true. I cannot identify the groups that left because I never became acquainted with them. When I appeared on the scene, that period of "cleansing" had already passed. I was told that they were associated with political parties that were setting conditions. For example, I have heard some colleagues say that we are not the left. I don't care what they call us. But there is a "dyed-in-the-wool" red group asking for the presence of the old Marxists. I believe there is an intellectual "freeze" there that would not benefit us. Can you imagine them calling the UASP rightist? I see that as a contradiction.

[Shetemul] To whom were they referring?

[Gonzalez] To Marco Augusto Quiroa and Miguel Angel Albizures, who say I am the candidate of the merger of the right and the left.

[Shetemul] Persons like the ones you mention say the UASP had sectarian and hegemonic attitudes when it came time to draw up the lists of candidates.

[Gonzalez] That is probably true, but even when one claims to be generous and without personal interests, positions of power are always being sought.

[Shetemul] Splintering would seem to be the historical stigma of the left.

[Gonzalez] That is true. Unfortunately, I saw it at the university when it began to be politicized, and also in the AEU [Association of University Students]. If you get eight persons to join the left, they will support eight doctrines all fighting over the color of Marx' beard. If the price to be paid for a party moving ahead is to reduce the amount of red, then I would prefer that we not have it!

[Shetemul] And if you are on the left, why are the leaders of the FDNG so ashamed to be identified as such?

[Gonzalez] I did not know that. If we are going to use the classification, I would not be ashamed of any kind of admission that I prefer the doctrines of the democratic left, which would probably come from a social democracy.

[Shetemul] What is the relationship between the FDNG and the URNG?

[Gonzalez] There is no organic relationship. I do not know whether there is sympathy from party members with respect to the action of the URNG or vice versa. We do not discuss it, simply because it is not an issue.

[Shetemul] Have you had any contact with the URNG command?

[Gonzalez] None.

[Shetemul] What is the Front's attitude toward the Army?

[Gonzalez] It is expressed in the peace agreements. For any government, whether of the FDNG or any other party, it is the right thing to do to think about a military reconversion and have a smaller but better trained Army. My personal preference, based on the ten years I lived in Costa Rica, is naturally that a society is viable without an Army. However, we must respect the military role as defined by the Constitution.

[Shetemul] And what about your relations with businessmen?

[Gonzalez] They include friends of mine from my university days. Andres and Venancio Botran—may they rest in peace—were my friends. For family reasons, I know the Castillo Monges because I have cousins with the last name of Del Valle Monge. I know nearly everyone in banking, including Eduardo Gonzalez. It is a world in which everyone knows everyone else, and the important thing is to accept dialogue in order to seek solutions.

[Shetemul] The agricultural sector complains that the leaders of the FDNG support land occupations.

[Gonzalez] I do not think that arbitrary invasions of private property solve anything, or that the repression of such invasions is the alternative because it makes things worse than before. I believe in reconciling interests. Because of the Front's makeup, we have the moral authority to persuade those sectors involved to check their violent impulses based on the promise that we shall seek a solution.

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[Shetemul] Will this conciliatory spirit permeate the postures of the members of the FDNG, as in the case of the land occupations?

[Gonzalez] I am very frank in saying that I came here on 30 July. Throughout my career, I have learned to use what is called, not provocative, but shared authority, explaining the costs or benefits of any extreme position. For example, I am not going to guarantee that there will be no land occupations, but as soon as I head the FDNG, we shall talk about that shared authority, but in a framework of clear rules of play and in accordance with the Constitution. Here we are not going to forge another revolutionary movement for the purpose of competing with the URNG, for example.

Economy Versus Environment

96WN0001A Guatemala City CRONICA in Spanish 8 Sep 95 p 36

[Article by Margarita Mendoza Yaquian: "Economy Against the Environment"]

[FBIS Translated Text] Ecologists are worried, and with good reason. The concession which the Ministry of Energy and Mines has granted to Ramrod Oil and Gas, Inc. to work hydrocarbons in Peten threatens to damage Mayan biosphere buffer zones. Although the contract does comply with the Ministry's laws, it ignores the rules of the National Council on Protected Areas (CONAP).

Impure Impact

After three years of research, Energy and Mines declared Ramrod Oil and Gas the winner of bidding on the contract to explore and work hydrocarbons in Peten. Even though the drilling would mean enormous profits for the government and a new field of development for the country, the contract endangers 65,670.91 hectares of the Mayan biosphere, to the alarm of ecologists. "The concession may mean economic gains, but it endangers the environment," warns Emma Diaz, executive secretary of CONAP. Nor has there been a favorable ruling by the Council, which the Law on Protected Areas says should have been requested by the Ministry before signing the contract. This is precisely why the environmental institution has asked Julio Barrios, head of the ministry, not to go ahead with the contract.

Hernan Sagastume, director of Hydrocarbons, argues that the document complies with the law. "The permit was granted based on the Hydrocarbon Law and the resolution of the Qualifying Committee which analyzed the different bids," he says, adding that the contract protects the environment. One of its clauses requires the company to "complete an environmental impact study before commencing operations," he notes. Sagastume also observes that before it enjoys the 25-year permit to work in Peten, the oil company must adopt measures to prevent pollution, and if drilling damages the ecosystem, the company will have to answer to the government.

Environmental Damage

Nevertheless, the merits and legality of the document are not yet clear. Even though the contract contains measures on ecological protection, it does not observe CONAP laws. "We cannot be policemen; we are technicians. Government agencies know they have to consult us," Emma Diaz points out. However, she believes the most dangerous part of the contract is the areas now open to exploration.

According to the official, the ministry modified the areas contained in the original call for bids and, instead of granting multiple-use zones, named a number of zones that act as a buffer for the Mayan biosphere. "This area serves to mitigate damage caused by work in other protected areas," Diaz explains.

Despite the fact that officials from Energy and Mines, CONAP and the National Environmental Commission have met, the future of the contract is still uncertain. As this edition was set to go to press, Minister Barrios had agreed to do a legal study that would serve as a basis for CONAP in order to determine whether or not the contract is admissible. This does not mean that it is not valid, only that the ministry has the power to change or nullify it. It has thus become obvious that environmental laws do not guarantee the preservation of the ecosystem.

Nicaragua

Government Submits 1996 Draft Budget to Assembly

PA1810201795 Managua Canal Dos Television in Spanish 0045 GMT 17 Oct 95

[From the "TV News" newscast]

[FBIS Translated Text] The government has submitted the budget draft barely in time, but the positive thing about it is that more money has been allocated for the ministries in areas of social interest.

The 1996 budget draft submitted to the National Assembly contains estimated expenditures for more than 4.6 billion cordobas. Compared to this year's budget, the 1996 budget draft was at least nominally increased by 59 percent, especially in five key areas.

According to the Supreme Electoral Council, since this is an electoral year, the government requested more than

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227 million cordobas for this institution, a 118-percent increase compared to this year.

As for the Health Ministry, which is facing cholera, dengue, and malaria epidemics, the government requested nearly 700 million cordobas, a 21-percent increase.

As for the Education Ministry, which has faced serious problems with the teachers' salaries, the government has allocated more than 489 million cordobas, 37-percent more than this year.

In addition, the Construction and Transportation Ministry could receive an 88-percent increase this year, some 482 million cordobas, which could be used to repair the most important roads in the country.

As for the Government Ministry, which provides the funds for the police, it will get more than 250 million cordobas, a 13-percent increase.

The health and education sectors account for more than 25-percent of the total budget. The National Assembly must approve the budget draft bill before 15 December. It must also pass the property and Telcor [Nicaraguan Telecommunications and Postal Services Institute] laws as well as the new electoral law.

Panama

President: Report on Talks With U.S. on Bases 'False'

PA1810172895 Panama City LA PRENSA in Spanish 18 Oct 95 p 1A

[Report by LA PRENSA staff]

[FBIS Translated Text] President Ernesto Perez Balladares last night said that the statements published by U.S. paper THE WASHINGTON POST are absolutely false, and he reiterated that no negotiations are being held on the permanence of U.S. military bases but that "these are just exploratory talks."

"How do you want me to tell you this?," Perez Balladares asked journalists when questioned regarding a publication by THE WASHINGTON POST saying that the "Panamanian Government is concealing the reality of the negotiations."

Perez Balladares arrived last night in the country from Argentina, where he attended the Fifth Ibero-American Presidential Summit.

Meanwhile, Acting Foreign Minister Mitchell Doens yesterday stated that in the opposition there are politicians "with a backward mentality," who have joined U.S. sectors to try to undermine the Panamanian Government.

The government of President Ernesto Perez Balladares does not conceal anything, nor does it maintain a double language regarding the possible prolongation of U.S. military presence in this country, Doens remarked.

The reaction of the Foreign Ministry came about after the local press disclosed a publication of U.S. daily THE WASHINGTON POST indicating that the government of Perez Balladares says things differently depending on whether it is addressing U.S. Government officials or the Panamanian people.

Doens said that sectors from his own country and the United States have launched an "infamous campaign" to distort the purposes of the Panamanian administration in negotiating the permanence of U.S. military bases in the country beyond the year 2000.

According to the 1977 Torrijos-Carter Treaties, approximately 8,000 U.S. soldiers who remain in various forts in Panama should complete their pullout on the last day of 1999, date on which the Canal will also be transferred to Panamanian sovereignty.

However, representatives of the governments of both countries will meet starting on 30 November in Panama in order to analyze possible modifications to the treaty, allowing the United States to keep military forces in the country beyond the year 2000.

Doens expressed that the Panamanian Government "is not concealing" anything on the issue of the bases, because "we have thoroughly and clearly explained" that the exploratory talks with the United States "are not (in reality) negotiations."

All that will be analyzed during the exploratory talks will be divulged "broadly and in a transparent manner, because there is nothing to hide," he noted.

Doens asserted that the Panamanian people will have the "last word," because the decision will be submitted to a plebiscite.

THE WASHINGTON POST attributes to an unidentified U.S. official source having said that the government of Perez Balladares "is dancing around the truth, trying to conceal the fact that its economy needs desperately the 16,000 jobs and $300 million annual income generated by the U.S. military presence."

First Vice President Tomas Gabriel Altamirano Duque also stated that "there is nothing concealed" and that the report published by the U.S. daily seeks to complicate things for the presidents of Panama and the United States.

In the meantime, Guillermo Chapman, minister of planning and economic policy, has said that the fundamental thesis of THE WASHINGTON POST article is that

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"Panama is starving and must, therefore, ask the Americans to stay anyway."

Chapman explained that Panama's problem is very different from the 6,000 positions held by Panamanians at the U.S. military installations. He affirmed that "Panama's problem are the 150,000 unemployed who exist in the country."

Chapman added that to resolve the problem of the unemployed, "the country's biggest problem, an economy that grows more than 5 percent, ideally between 7 and 8 percent, will be required." Chapman recognized that the Panamanian economy is suffering from an illness and requires a "structural adjustment."

Legislative Assembly To Join Internet 'Next Week'

PA1810174495 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Oct 95 p A3

[FBIS Translated Text] The Legislative Assembly will have access to Internet starting next week, Legislative Affairs Adviser Mario Dominguez has reported. Starting Monday, the Assembly can access the legislative data bases existing in other congresses.

In addition, it will be possible to exchange scientific information with universities in other countries, and the correspondence between parliamentarian organizations, in particular with the Latin American Parliament, will be speeded up, Dominguez said.

Later, and as part of an updating program that the Assembly carries out with IDB, this institution will offer to the world in general all of the Panamanian legislation through Internet.

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Argentina

Menem Promulgates Patents Law 18 Oct

PY1910020295 Buenos Aires TELAM in Spanish 0011 GMT 19 Oct 95

[FBIS Translated Text] Buenos Aires, 18 OCT (TELAM) — It was reported tonight at Government House that President Carlos Menem today signed the decree that promulgates the Patents Law without any observations, and it was indicated that he respects what has been established by Congress.

During a news conference, Alberto Garcia Lema, coordination secretary of the cabinet, said that "the will of Congress has been respected; the law has been promulgated without observations."

Garcia Lema explained that this legislation is contained "in an ordered text that includes the corrective law, the previous law, and Law 111, ordered in a text that includes an appendix of the rules and regulations."

He also said that "we have tried to interpret those provisions of the law that merited greater accuracy than those contained in the text and in accordance with the rules of the GATT."

In this respect, he indicated that because it is a treaty, the provisions of the GATT have "a higher position than laws, and therefore its rules must be respected and reconciled with the legislative texts."

Horacio Liendo, legal coordination, technical, and administrative secretary of the Economy Ministry, indicated that the interpretations that gave the law its legal basis were found in the rules and regulations, and he stated that the five-year transition period goes into effect today.

Jorge Campbell, international economic relations secretary, also participated in the news conference, which was held in the Press Room of Government House.

'Positive Results' Expected of Ibero-American Cuba Stance

PY1910105495 Buenos Aires LA NACION in Spanish 18 Oct 95 p 6

[Editorial: "A Change of Stance on Cuba]

[FBIS Translated Text] Rather than the complaints uttered by Fidel Castro — who substantiates his demands by providing political and humanitarian arguments while maintaining a repressive system that bypasses the civil and human rights of the inhabitants of his country — what justifies the request for a lifting of the embargo on trade with Cuba is the need to put an end to a policy that for more than three decades has proved to be futile in achieving its stated purpose of crippling Castro's regime and helping the Cuban people.

The consensus achieved at the Fifth Ibero-American Summit of Heads of State and Government, which closed in Bariloche on 17 October, on the request — albeit indirectly — for the lifting of the embargo, manifests a more realistic attitude that may, in the long run, also be more efficacious in achieving Cuba's democratization. The final declaration discusses at greater length the recommendations formulated in previous summit meetings. This seems to put an end to the alternative the Cuban regime has proposed to the other governments of the region: namely, adherence to the standards of international law opposing unilateral coercive measures or the need to keep Castro at bay. This is, to some extent, in keeping with the approach heralded by President Clinton through a White House measure that facilitates trips and the sending of humanitarian aid to the island, as well as cultural exchanges.

The end of the Cold War has destroyed what may have been the ultimate argument to justify an extreme measure like the blockade. At present, in the absence of a threat of the spread of communism in Latin America, Fidel Castro only constitutes a threat to those who are forced to put up with his regime. Neither the hardline Cubans living in exile in Miami nor the right wing of the Republican Party in Washington agree with this point of view. On the contrary, Republicans are trying to have the U.S. Senate enact a bill already passed by the House of Representatives that would stiffen the embargo against Cuba, thus belatedly hardening a policy that has been fruitless thus far.

Undoubtedly, Argentina's initial proposal to link the request for a lifting of the embargo to the democratization of Cuba was done with the best of intentions, but it posed the threat of perpetuating, without any changes, the same situation currently prevalent on the island. Castro has managed to capitalize on the pressures received from abroad to justify the mistakes and excesses of his regime. He thus proved that it is easer to subjugate a people that is isolated than one that receives the stimulus and example of societies committed to the principles of individual freedoms and governed according to rational criteria of efficiency.

Bearing this in mind, there is reason to believe that more positive results will be achieved by pursuing a strategy opposite to that of the embargo. Trade flows, joint ventures, and economic cooperation will be instrumental in making information and the influence of democratic societies arrive on the Caribbean island unhampered. Moreover, a greater number of citizens

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will be impregnated with the ideas of economic and political freedom. This will in turn make people press for changes in a regime whose ability to respond to the modern world's demands is clearly worn to a frazzle. The winds of change will sweep through all sectors of Cuban society.

To request the lifting of the blockade does not mean in the least to turn a blind eye to or condone the iniquities of Castro's regime. Nor does it mean that one is unaware of the incongruities of an unsuccessful economic system that survives thanks to the authoritarianism of the government. On the contrary, probably, the termination of so irregular a measure as the blockade and the normalization of Cuba's trade relations will promote the emergence and development of a political alternative far removed from the ideological rigidities generated by Castroism.

Brazil

Spanish Prime Minister Arrives 18 Oct, Meets With Cardoso

PY1810184495 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 18 Oct 95

[FBIS Translated Text] Spanish Prime Minister Felipe Gonzalez said in Brasilia that Spanish entrepreneurs want to invest in Brazil. The Spanish chief of state arrived early this morning.

This morning he held his first meeting with President Fernando Henrique Cardoso. During the ceremony, a document was signed to register the first meeting of the commission that follows up implementation of the cooperation treaty between the two nations.

Prime Minister Felipe Gonzalez told the president that the agreement between Mercosur [Common Market of the South] and the European Union will be signed in December in Madrid.

Cardoso Lauds Gonzalez Visit

PY1910023295 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 18 Oct 95

[FBIS Translated Text] President Fernando Henrique Cardoso today met at Planalto Palace with Spanish Prime Minister Felipe Gonzalez. Cardoso said the Spanish prime minister's visit will be instrumental in promoting integration between the EU and Mercosur [Common Market of the South].

Cardoso lauded Gonzalez and noted that his visit is highly important because it is taking place at a time when negotiations are under way for the signing of a treaty between Mercosur and the EU:

[Begin Cardoso recording] Felipe Gonzalez is at present presiding over the EU. It is under the Spanish presidency that the EU has made a decision that will have far-reaching historical significance: that is, that of signing an agreement with Mercosur. It is perhaps too soon to evaluate, in its true perspective, the agreement that will be signed in December, in terms of the positive results it could bring to all of us: to Spain, to Brazil, to the EU, to Mercosur, to those like Chile, which I hope will be joining Mercosur later; and in a general sense, to our foreign policy. [end recording]

Cardoso said he hopes to increase Spanish investments in Brazil, especially in the auto industry and in the electricity sector. He added that Brazil would also like to increase its investments in Europe.

Cardoso and Gonzalez attended the signing of the minutes of the first meeting of the Brazilian-Spanish high-level commission that will be charged with evaluating and monitoring the implementation of the cooperation and friendship treaty signed in 1992 by the two countries.

Gonzalez said there is growing interest among Spanish enterpreneurs in investing in Brazil. He also promised to devote his personal efforts to intensifying economic and political ties between Brazil and Spain.

Journalist Freddy Krause will now comment on Brazilian-Spanish relations:

[Begin Krause recording] Brazil and Spain are working on two fronts to strengthen their ties. The first front is the Brazilian-Spanish High-Level Commission, which was installed today by the foreign ministers of the two countries. The commission was created under the Cooperation and Friendship Treaty signed in 1992 and ratified in 1994. The second front consists of the Mercosur negotiations with the EU, of which Spain is a member.

Incidentally, the EU-Mercosur agreement will be signed on 15 December, precisely under the tenure of the Spanish prime minister as EU president. The agreement may promote economic integration, especially trade between Brazil and Spain, including Spanish investments in Brazil, and perhaps, in the future, Brazilian investments in Spain in the future.

The level of Brazilian-Spanish trade has been relatively small in light of Spain's economic strength. Bilateral trade totaled only $1 billion in 1994, taking into account the fact that each country has a gross domestic product of approximately $500 billion. Just for comparison purposes, we would like to mention that, also in 1994, Brazilian trade with Argentina totaled more than $5 billion, and with Germany nearly $4 billion.

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Yet, the intensification of bilateral ties will not only encompass trade but will also include political, financial, diplomatic, and cultural topics. Spain and Brazil are now moving closer together, at a time when Brazil is also being ruled by a social democratic party and by a president who is a great admirer of Prime Minister Felipe Gonzalez. [end recording]

Today Gonzalez also paid courtesy calls on the Congress and the Federal Supreme Court, where he was welcomed by Chief Justice Sepulveda Pertence. Gonzalez was briefed about the Brazilian justice system.

Amendment To Enable President To Send Troops Abroad

PY1810173495 Sao Paulo FOLHA DE SAO PAULO in Portuguese 12 Oct 95 Section 1 p 6

[FBIS Translated Text] The military area wants to remove from Congress the power to send troops on UN peacekeeping missions.

Article 49 of the Constitution establishes that Congress must decide on any international action that "implies expenditures."

Planalto Palace has already drafted a constitutional amendment proposal authorizing the president of the Republic to send up to 4,000 soldiers abroad without having to request Congressional approval in advance.

Armed Forces General Staff [EMFA] members believe Congress takes too long to approve these peacemaking missions. It took four months for Congress to approve an extra allotment of 130 million reals [R] and the decision to send 1,100 soldiers to Angola.

Brigadier Marcio Bhering, EMFA deputy chief, said: "We would like to speed up this process. Beside this, the Planning and Finance Ministries take a long time to disburse resources."

Under the draft EMFA constitutional amendment, congressional approval would be nothing but a formality, because the president would send a message reporting the decision.

The yearly ceiling of 4,000 soldiers to be sent abroad without the need for congressional approval means Congress would be rarely summoned to decide the issue.

Brazil has never sent this amount of troops abroad in military peacekeeping missions in a single year, except during the Second World War (1939-1945).

The speeding up of sending soldiers abroad is part of an EMFA policy to increase Armed Forces participation in UN peacekeeping missions.

The military believe this would enhance Brazil's candidacy for a seat on the UN Security Council.

Brigadier Bhering said: "Brazil cannot remain neutral. We are interested in this sort of participation. The cost of these missions should not force us to choose between 'cannons or butter,'" refuting criticism that these funds could be invested in the social area.

This policy lobby [preceding word in English] was successful at the Planning Ministry where the PPA [five-year plan] is being drafted. EMFA has announced that the PPA is contemplating nearly R200 million to "mobilize peacemaking forces and meet international commitments."

The PPA already plans to send 1,200 soldiers abroad per year, and to establish a battalion specially trained and equipped for that sort of mission.

Colonel Ademar Machado, Army Social Communication Center adviser, has said that the 19th Infantry Battalion, which is headquartered in Sao Leopoldo (Rio Grande do Sul State), has already been chosen for this sort of training.

He said: "This battalion will have the infrastructure required to be deployed at short notice. To enable us to send the troops to Angola, we had to ask one military command to provide the communications system and another for the bakery and laundry units."

Senate Gives Bill Ending Oil Monopoly Preliminary Approval

PY1910010795 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 18 Oct 95

[FBIS Translated Text] By a vote of 58 to 17, the Brazilian Senate today approved, during the first voting round, a constitutional amendment bill that ends the state monopoly over oil.

The wording of the approved bill enables foreign companies to take part in oil prospecting, refining, and distribution activities. Yet, the opening of the oil market will be subjected to three conditions, pursuant to a commitment signed by President Fernando Henrique Cardoso. They are: first, the Brazilian Petroleum Corporation [Petrobras] will not be privatized; second, Petrobras will continue to exploit deposits already in operation; and third, Petrobras will enjoy preferential treatment in international tenders.

The Senate is now expected to vote for the second time on the oil amendment bill by no later than the first half of November. If approved again, the bill will then be immediately promulgated by the president of the Republic.

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Cardoso Seeks Mexican Solidarity on Car Import Quotas

PY1810125595 Sao Paulo AGENCIA ESTADO in Portuguese 2234 GMT 17 Oct 95

[By Tania Monteiro]

[FBIS Translated Text] Bariloche, 17 Oct (AE) — During a private meeting on the evening of 16 October in Bariloche, Argentina, President Fernando Henrique Cardoso asked Mexican President Ernesto Zedillo for solidarity with the Brazilian Government decision to establish car import quotas. He said: "At the WTO, Mexico strongly demanded Brazilian support on the automobile issue, and I explained that the matter did not affect our country." He added: "I now ask for Mexico's solidarity, just as we are giving solidarity to them."

Cardoso also asked Zedillo to ensure that "the two countries work together at the various forums around the world." Their meeting lasted about an hour. They also talked about Mexican problems like bankruptcies, unemployment, and the expected negative growth of the economy — by about 6 percent.

Cardoso mentioned the problems encountered by Brazilian banks, which he said have been overcome; about the ongoing constitutional reforms; and about the economic performance of interest rates paid on savings.

The Brazilian president told Zedillo that Brazil has managed to overcome three essential difficulties that can affect stabilization: the exchange crisis, an eventual bank crisis — like the one in Venezuela — unemployment, and recession. Cardoso emphasized that there is no danger of unemployment or recession in Brazil. He said: "With our current sustained economic growth indexes, there is no risk whatsoever for any worsening of the situation."

He added that the government has taken all appropriate measures so that, after controlling inflation, Brazil can firmly reactivate its economic growth. Cardoso said: "Employment rates are currently growing." He disqualified certain Argentine economists who estimate that unemployment could reach 18 percent, saying: "That depends on the growth rate, which is the key to balance in the area, along with the country's domestic investment capacity, in order to continue to grow and save." Cardoso said the country can grow through savings and investment, adding: "If those two are not balanced, there is a danger of increased unemployment."

Cardoso added that the Brazilian savings rate has grown. He said: "Three years ago it stood at 13 percent; today it ranges from 18 to 19 percent. We will continue to grow." He added: "This is why I strongly support the creation of capitalization funds for the social security system, because it is an extraordinary mechanism for economic growth."

Workers Party President Interviewed

PY1810231695 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Oct 95 p A6

[Interview with Workers Party President Jose Dirceu by Luiz Fernando Rila at party headquarters in Sao Paulo on 13 October]

[FBIS Translated Text] [Luiz Fernando Rila] A great number of Workers Party [PT] members have been criticizing the government's amendment that ends the job stability of public employees. Other members, however, have indicated that they like the idea. What, after all, is the PT's position in this regard?

[Jose Dirceu] We still do not have a concrete proposal for the administrative reform. I can assert, however, that most of the PT members favor stability. The two PT governors — Cristovam Buarque, Federal District; and Vitor Buaiz, Espirito Santo — are demanding a solution to this problem. Nevertheless, they have been showing that they have enough patience to wait for the results of the interparty discussions and that they are interested in helping the rest of the party members to find the best solution to the problem. We all know that the financial situation of the state governments is bad and that they are insolvent. No one doubts that the government must reduce its payroll. We cannot, however, blame the public employees for this situation. It would be cowardly to do so. Those to blame are members of the parties that have been ruling the country for the last few years and who have increased too much the number of public employees. The Liberal Front Party has played, in Brazil, the role of a state apparatus party, just like the communist parties of East Europe.

[Rila] Based on this reasoning, can the PT conclude that the report drafted by Deputy Prisco Viana (Brazilian People's Party-Bahia), which opposes the amendment, is very good?

[Dirceu] The PT disagrees with several points of the report but agrees with its objection to putting an end to the public employees' job stability. Unlike Prisco Viana, for example, we believe the government is right to propose that the salary of the president of the Republic should really function as the ceiling to all public employees' salaries. We think, however, that the government is wrong in trying to put an end to stability, which is adopted in civilized countries and is used to ensure the continuity of public services, independently from political oscillations. Without this guarantee in Brazil, the public employees would be replaced every

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four years whenever a new president was installed and had to appoint his fellow party men to the government positions.

[Rila] The negative aspect of this proposal, however, is that the newly installed presidents, governors, and mayors run the risk of inheriting bankrupt administrative machineries.

[Dirceu] To avoid this, the current president, governors, and mayors should adopt, the soonest possible, two attitudes that do not depend on implementing changes to the laws. The first is to identify the public employees who occupy more than one public position, and force them to choose one of them. The second is to dismiss public employees who have been hired without taking any test, those who have not achieved stability, and those who are generally — worse still — without any function, in addition to the infamous ghost employees. Later on, distortions must be corrected and supersalaries eliminated. An enormeous percentage of public employees receive very low salaries of less than 600 reals. They, nonetheless, have their reputation smeared by the few employees who receive salaries as high as those of maharajas.

[Rila] Would these two attitudes be enough to enable the country to coexist with less expensive and most effective public employees?

[Dirceu] Less expensive, yes, undoubtedly; more effective, no. The PT is not insensitive and well knows that society no longer accepts the sort of public employees we now have. By observing certain areas that have managed to maintain a certain functioning standard, we can find solutions to this problem. Itamaraty and the Armed Forces hire new employees only after giving them an entrance exam. In these two institutions, even the recently hired employees know the career plans, and promotions are given only for professional merit. This example should be followed by other public administration areas.

[Rila] Apparently, there are serious disagreements within the PT over one aspect of Deputy Prisco Viana's report. He deems job stability the earned right of certain public employees and asserts that an earned right cannot be annulled by changes to the Constitution.

[Dirceu] The only PT member who opposed this idea was Sao Paulo Deputy Jose Genoino. He is a respected congressman who always votes well, but in this regard his opinion is hard to swallow. If we take what he is saying as the truth, what we call a given verdict and a perfect legal act can also be violated. This would create a barbaric legal area.

[Rila] If we begin to discuss private property, we will be led to discussing the activities of the landless people, who are currently in a particularly agitated phase, aren't they?

[Dirceu] This question is a provocation that I take calmly. The PT has always supported the Landless People's Movement, the MST, and the occupation of unproductive land — only the unproductive land. Our support is more justifiable than ever. The landless people cannot act calmly because they are hungry. The country's agricultural areas are empty. For certain mayors, the landless people's encampments are a blessing because they represent the resumption of economic activities.

[Rila] Do they face the landless people's violent attitudes the same way?

[Dirceu] The MST members are entirely pragmatic. Those who believe they are disorderly people ready to spread terror are wrong. Land occupation only ends in violence when the police act in an inapt and truculent manner, and this is so because the landless people are always willing to negotiate. They have even been to Planalto Palace, where they were received by President Fernando Henrique Cardoso twice. We should thank the Lord for the MST. The man who is interested in getting land to plant is not thinking about coming to towns and cities, which will only offer him marginality and, very possibly, criminal activities.

[Rila] Seen from the cities, the MST encampments seem out of tune with the productive world, which is based on technological advances and sophisticated forms of financing.

[Dirceu] This is another mistake. Experience shows that once the first difficulties are overcome and the people settled, their settlements develop into a type of organization that is very similar to that of cooperatives. The management of the settlements then begins to take on, little by little, entrepreneurial characteristics. Nearly one month ago I attended, in Porto Alegre, a meeting of representatives of the Rio Grande do Sul settlements. They were discussing, exactly, how they would be able to obtain credit in order to increase their productivity.

[Rila] If all this is true, the left has never been able to show any of that.

[Dirceu] The left, and particularly the PT, has been unable to show its virtues and defend its positions. We members of the PT, for example, have spent the most recent years involved in internal disputes and have closed the doors of our party to society. The main challenge of the period during which I will be at the head of the PT will be to open these doors. Some time ago, we hired a large institute to conduct a national

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poll about the PT's image. The results of the poll have indicated that our party is identified with the young and the poor. It also showed that we have become mature enough to govern the country. These are positive signs. Nevertheless, more than 40 percent of the interviewees rejected our party. This is a very high level of rejection. I believe this phenomenon is a result, in a large extent, to the PT members' excessive dedication to fighting for power within the party itself. This has left us little time and energy to conduct politics outside our own party.

[Rila] Is the PT sufficiently in order to open its doors?

[Dirceu] Yes, it is, but it is undoubtedly necessary to reform the party, to rescue it from what we like to call "internalism." We must now be tuned to society's agenda. There are signs that these changes have already started to take place. Our latest program in free propaganda time has been very different from what we had been offering the people. Simultaneously, we are still reregistering all PT members. This is a fundamental step to reorganize the party, but there is still a lot to be done. It has become urgent to professionalize the party's management, to automate the office of the regional executive boards, and to get our proposals on the Internet. Due to ideological dilemmas, we cannot fail to point out what we do well while in the government. Instead of supervising the PT mayors and governors, the party must be proud of having large cities and even states under its administration. We are, after all, an institution.

Roundup of Economic Reports Through 18 Oct

PY1910005795

[FBIS Editorial Report] The following is a compilation of reports on economic activities in Brazil monitored through 18 October.

BASIC LEADING INDICATORS

The Brazilian Institute of Geography and Statistics, IBGE, reported on 17 October the regional results of industrial production for the month of August. Compared to the same month in 1994, production has dropped in practically all states, except in Rio de Janeiro, whose production increased by 1.7 percent or, in other words, 7.3 percent above the national average. Industrial production in other states dropped as follows: Pernambuco, 18.3 percent; Rio Grande do Sul, 16.7 percent; Parana, 10.6 percent; Sao Paulo, 9.4 percent; Bahia, 7.5 percent; Minas Gerais, 1.5 percent; and Santa Catarina, 0.2 percent. (Sao Paulo AGENCIA ESTADO in Portuguese 1652 GMT 17 Oct 95)

FINANCIAL OPERATIONS

In September, $1.825 billion in foreign investment entered the Brazilian stockmarkets. In the same period, $1.824 billion left the country, and the balance, which totalled $1.27 million, has been the smallest so far this year, except for the negative balances registered from January to March. Francisco Costa e Silva, president of the Securities and Exchange Commission, CVM, has attributed this result to restrictions imposed on foreign investment and, particularly, to the government plans of levying taxes on the profit made by foreign investors in the Brazilian stockmarket. Of the overall amount invested in the Brazilian stockmarkets, 86.35 percent are equivalent to investment in shares; 6.02 percent in bonds; 4.12 percent in privatization currency; and 3.01 percent in derivatives. Leading among the banks that administered these investments are: Chase Manhattan, 22.35 percent, which has $4.414 billion under its responsibility; and the Citibank and the Bank of Boston distributors, which have under their responsibility $3.618 billion and $2.721 billion, respectively. Most of the investment came from Central America, 33.2 percent; North America, 32.8 percent; Europe, 21 percent; South America, 11.2 percent; and Asia and Oceania, 1.8 percent. (Sao Paulo GAZETA MERCANTIL in Portuguese 13-15 Oct 95 p B-2)

The ABN Amro Bank reported on 12 October the completion of a $200-million operation in eurobonuses for the Brazilian Electric Power Company, Inc., Eletrobras. According to ABN Executive Director Fabio Barbosa, this is the largest operation in eurobonuses ever conducted by a Brazilian enterprise. The Brazilian Petroleum Corporation has already conducted a $300-million operation, but it consisted of selling floating rating notes, which are certificates with characteristics different from those of the eurobonuses. This operation is also unprecedented because it has been conducted in two currencies: half of the certificates will be sold in eurodollars in the European and U.S. markets, and the rest in euroyens, to Japan. The certificates have a three-year maturity date, but the investor can shorten this period to one year, although this will reduce the 10.297-percent profit to 9.9 percent. Eletrobras Financial Director Paulo Ribeiro Pinto said that between $100 million and $130 million of the money resulting from the $200-million operation will be used to reschedule the holding's $11-billion debt to the banks, and the rest will be used in the investment program of the company for this year. According to Ribeiro Pinto, the holding will have to make these investments in order to prevent risking a possible electricity shortage resulting from the country's economic growth. (Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Oct 95 p B5)

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The Brazilian Government deposited on 13 October 1.333 billion in the Chase Manhattan Bank in New York to pay its debt to private creditors. Of this total, $1.27 billion are equivalent to the second installment of the yearly interests on the debt that has been renegotiated in 1992 and the remaining $63,000 are for payment of the interests and principal of the new money bonds related to the agreement signed in 1988. These resources were deducted from Brazilian foreign reserves, which stood at $45.7 billion in August. On 12 October, the government paid the two last installments — $537.7 million of the October installment and a similar amount for the installmente that would have become due in April 1996 — of the $3.9 billion demanded as a guarantee on the 1992 agreement. As a result of the decision to pay the April installment in advance, from 16 October on, the country will be able to act in the secondary market of its own certificates and thus "administer its own debts." Central Bank experts believe that, at first, the advanced payment of the debt will force the value of the Brazilian certificates to go up because it will indicate that the country's financial situation is good and its economy stable. The government can, nonetheless, accompany the behavior of the certificates' price and repurchase them when their value goes down. So far this year, Brazil has already spent approximately $4.6 billion in honoring its foreign debt with private creditors and international financial organizations such as the Paris Club, to which the country paid $409.4 million on 2 October. (Sao Paulo O ESTADO DE SAO PAULO in Portuguese 14 Oct 95 Economy and Business Section p 1)

FISCAL, MONETARY ISSUES

Federal Revenue Secretary Everardo Maciel believes that with the R6.892 billion collected in taxes in September, the 1995 overall revenue will indeed reach the level of R80 billion. From January to September, the Federal Revenue collected R62.133 billion. This total is 37.05 percent higher than the R45.336 collected in the same period last year, when the overall revenue totalled R64.3 billion. Maciel added that in September the amounts resulting from the income tax levied on corporations and individuals have increased by more than 80 percent compared to the same month in 1994. The increase in imports and on the import rate charged on foreign products also contributed to push up the Import Tax. (Sao Paulo AGENCIA ESTADO in Portuguese 2223 GMT 13 Oct 95)

Until the end of September, the Bank of Brazil, BB, was able to collect R1.5 billion of the overall R14 billion owed to it for loans that have become due. Before the end of November, the BB plans to have recovered 30 percent, i.e. 4.2 billion, of this overall amount. (Sao Paulo O ESTADO DE SAO PAULO in Portuguese 13 Oct 95 p B4)

PRIVATIZATION

President Fernando Henrique Cardoso today sent to Congress a draft bill dividing the Light Power Services, Inc. into two enterprises: the Rio de Janeiro one, which will be privatized; and the Sao Paulo one. Light Power Services already has 47.52 percent of the capital stock of the Sao Paulo Power, Inc., Eletropaulo, and will inherit its debt which, according to the June balance sheet, stands at 524 million reals, R. The Light Power Company was included in the National Privatization Program in June 1992, but the Eletropaulo debt made it impossible for the government to privatize the company. The bill also establishes that Eletrobras will be the main shareholder of the Sao Paulo Light. It will now have to be voted on at Congress and then sanctioned by the president of the Republic before going into force. (Sao Paulo AGENCIA ESTADO in Portuguese 0008 GMT 13 Oct 95)

The National Privatization Council, CND, set on 17 October the date for the privatization auction of four more petrochemical companies: Nitrocarbono, Pronor, and CBP will be auctioned on 21 November; and the Deten Quimica company on 14 December. Elena Landau, privatization director of the National Bank for Economic and Social Development, BNDES, has reported that in these auctions, the investors will be able to use foreign debt certificates, without the 25 percent discount, as the Central Bank has decided at the end of September. According to a rule already established, the BNDES will accept up to 90 percent of the payment in public debt certificates. Regarding the Light Power Services, Inc. and the Rio Doce Valley company, the privatization date of which still has not been set, Landau said that the CND decision to demand the payment entirely in cash will prevail. (Sao Paulo AGENCIA ESTADO in Portuguese 2230 GMT 17 Oct 95)

Chile

Article Views First Ladies' Friendship

PY1810121295 Santiago HOY in Spanish
16-22 Oct 95 pp 28-29

[By Daniela Lipari]

[FBIS Translated Text] Despite a considerable difference in styles, the chemistry between Hillary Rodham Clinton and Marta Larraechea de Frei since they met (in November 1994 during the APEC [Asia-Pacific Economic Conference] is very surprising. It is an empathy that overcomes idiomatic barriers in which — beyond

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U.S. interest in the Chilean process — the U.S. and Chilean first ladies have found common areas of interests.

When Hillary Clinton and her cabinet chief, Margaret Williams, planned the current Latin American tour, Chile was not included in her itinerary. Nevertheless, during their second meeting at the Summit of the Americas in Miami in December 1994, when Marta Larraechea invited her to visit Chile, Hillary did not hesitate to accept. Better yet, Chile became a priority within the tour. The advance team that arrived in Santiago a few days ahead of Mrs. Clinton was the largest and had the most complex tasks of her trip.

It was in Miami where Mrs. Clinton and Mrs. Frei began to expand their friendship, always assisted by interpreters. At Hillary's express request, Marta Larraechea was the moderator at the session that dealt with youth. Moreover, of the 30 first ladies attending the summit, the Chilean first lady was one of the three chosen to speak.

The reason for this affinity is not very clear. They have quite different styles: while Marta Larraechea has avoided an active political role, Hillary Clinton plays a very important one in the United States.

Opposites

Hillary Clinton is no newcomer to public life: she is among the best 100 lawyers in the United States and she was already known at the national level when her husband was elected U.S. President. Nevertheless, one hidden facet flourished upon her arrival at the White House: her political ability. Through a carefully-planned composure in the face of adversity, she was unperturbed when she faced press attacks during the 1992 presidential campaign, particularly the statement by Gennifer Flowers who asserted that she maintained a long romance with Bill Clinton.

Hillary's controversial personality divides people: You either love her or hate her. Her presence stirs up controversy, either because of excessively trusting the capacity of women or for her overwhelming failure in the health system reform. Although for some she is the most capable woman in the White House since Eleanor Roosevelt, for her enemies headed by Newt Gingrich, the speaker of the House of Representative, she is nothing more than a hateful "reminder of the decadent generation of the 1960's."

Marta Larraechea, who for several years was devoted to housekeeping chores until she studied Family and Youth Orientation at the Carlos Casanueva Institute, stirs up far fewer passions. Her social work was unnoticed until she arrived at La Moneda Government House when she inherited the leadership of the The Family Foundation, Prodemu [Women's Promotion and Development Program], and Integra [National Foundation for the Integral Development of Minors — Fundacion Nacional para el Desarrollo Integral del Menor]. In June 1994, she founded the New times Foundation [Fundacion Tiempos Nuevos] which promotes art and cultural activities in low-income neighborhoods.

Only recently has the Chilean first lady expressed her personal opinion about certain current issues. For example, there are her much-discussed disagreements with Bishop Jorge Medina over the Chilean position on womens' rights regarding family planning. Despite harsh comments by the prelate, Medina did not have the final say on the matter. A few days before the opening of the El Melon tunnel, the Santiago Archbishop's office received a letter warning that the bishop's presence at the inauguration ceremony would be considered inappropriate. Marta Larrachea denied being involved in any of this, but Medina did not attend the ceremony.

These sudden breaches of neutrality that characterize her only occurs on issues dealing with her activities as first lady or when she feels personally attacked. On the contrary, whenever she is asked about her views on civilian-military ties, she answers that she holds no political post.

Private Adviser

On the other hand, not only did Hillary Clinton hold a key position in her husband's presidential campaign but within a short period of time she became an important adviser. She has an office in the White House West Wing — the Presidential Wing — and transferred her staff to the Executive Building. Moreover, Clinton named her head of the health system reform committee, an unprecedented move in the history of the United States.

The failure of the reform of the health system led to a change in strategy in Hillary's public profile. In view of this, throughout this year she has been committed in being the hostess of White House guests, trying to carry out a role that is definitely unbecoming to her: that of the traditional role of a first lady. Clinton continues to carefully listen to his wife, but in private. In contrast with this silence at the domestic level, in the field of international relations, she has obtained several triumphs. After a successful trip to Pakistan, India, Nepal, and Sri Lanka, she attended the women's conference in Beijing where she delivered a speech that the White House labeled as a major political success in her new role.

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The mysterious affinity between these two completely different women seems to stem from numerous factors: a certain generational affinity (both are near their 50's), their work in social areas, and the executive role they grant to women of the 1990's — starting with the way they fulfill their roles as first ladies.

Hillary Clinton and Marta Larraechea feel very different from their counterparts of the Americas who will be celebrating the Fifth Ladies Summit in Asuncion, Paraguay on 16-20 October.

Chances for Fast Track Approval 'Considerably' Increased

PY1810222595 Santiago EL MERCURIO in Spanish 13 Oct 95 pp B1-B7

[By special correspondent Carolina Garcia de la Huerta in Washington]

[FBIS Translated Excerpt] Positive, to say the least, was the evaluation made by Finance Minister Eduardo Aninat concerning Chile's progress to join NAFTA over the past few days in Washington, where U.S. Congress approval of the fast track treatment, or a means for fast negotiations, is considered key in order to join the trade treaty during the next two years.

"If we compare the talks held over the past few days — yesterday, last night, and this morning before the initiation of the meeting concluding the IMF and World Bank conference, with Clinton Administration officials and a number of congressmen — prospects are looking a little better, a little brighter, and talks are being conducted better than a month, 10 days, or a week ago."

Chilean delegation sources who are in Washington pointed out that the chances for a final fast track treatment have been increased considerably. "If we arrived here with a 10 percent chance, we are leaving with a 40 percent chance," they said.

During his visit to Washington, Aninat held an intensive round of meetings, including with U.S. Trade Representative Mickey Kantor. But not only him. Also present in this capital and holding parallel talks were Jorge Rosemblut, Secretary of the Presidency Secretariat, and a delegation of deputies headed by Chamber of Deputies President Jaime Estevez.

Before leaving Washington yesterday, Aninat assessed his visit to this capital and the round of meetings he held, during which the NAFTA issue surely prevailed.

On this matter he said: "We have not yet heard, either during this past working week or during the previous months, any comment from a congressman, either Republican or Democrat, expressing opposition to Chile as a candidate."

When will the talks end? We do not know. What we do know is that there is a rapprochement among the different committees and with the administration on the language problem and flexibility. We do not want to comment on what language — on how, when, and why — because it is not appropriate for us to meddle in another country's procedures."

He added that "what is clear is that the dynamic action should yield a positive scenario of having a very advanced fast track project practically approved before the end of January 1996. Otherwise, the negotiating process would stop and we would end up having to wait until March or April 1997, a scenario which, according to what we have discussed, none of the four countries want." [passage omitted]

Concerning the realism the Chilean position could have within the prevailing climate among certain Republican candidates opposed to NAFTA, Aninat said that he had made some predictions in the past which did not come true.

"I would say that, starting from the most important: We keep perceiving a strong, a very strong desire from the three countries and from their governments to advance quickly into the fast track process and then into the negotiations themselves."

This desire prevails, he said. He added: "Neither can we disregard the fact that that the pre-electoral process in the United States has begun earlier, and for this reason there is a more complex agenda for all those involved. President Clinton is seeking re-election and opposition candidates are also seeking election. This surely affects the agenda in terms of prioritizing the subjects.

According to Aninat, Chile's entry into NAFTA is important both for the United States and for Latin America. "Moreover, in 1996, between 15 and 20 March, all commerce ministers are going to Cartagena, Colombia to see how we are implementing the promises and goals of the Miami summit held in December 1994 within the framework of the continental agreement expected for the year 2005."

In any case, the minister said that there are sufficient reasons to be optimistic: "First, because the U.S. Administration at different levels has made great efforts and spent many hours to achieve an agreement. This is the way it has been done over the past seven days."

Second, because greater flexibility has been observed among certain leaders of the House of Representatives committees concerning the request made by the Clinton

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Administration on not restricting or regulating its negotiating power for the type of fast track project it needs. [passage omitted]

Visiting Singaporean Foreign Minister Discusses Trade

PY1810223295 Santiago EL MERCURIO in Spanish 11 Oct 95 p c5

[FBIS Translated Text] The foreign ministers of Chile and Singapore foreign ministers, Jose Miguel Insulza and Shunmugam Jayakumar, respectively, yesterday agreed to strengthen bilateral cooperation and political and trade ties, in view of the many interests that the two countries share.

After his interview with Insulza, Jayakumar said that his presence in Chile constitutes the first official visit by a Singaporan foreign minister to Chile and Latin America, and that this reflects the importance that Singapore attributes to its bilateral ties with Chile.

He said that there are many political and economic areas at the multilateral and bilateral levels in which the two countries may conduct joint undertakings.

He said: "This is a very important visit for Singapore. This is the first official visit by a Singaporan foreign minister to a Latin American country. I believe this reflects the importance we attribute to our bilateral ties with Chile."

Asked why he decided to visit Chile, he gave several reasons, but said that the most important reason is that we have "excellent" bilateral ties.

Another reason, he said, is that Chile has a great reputation for defending and promoting free trade and that this is the same policy followed by Singapore.

Jayakumar added that the two countries are members of the Asia-Pacific Economic Cooperation (APEC) forum. He said: "We find that we share many common interests both regarding international trade and political relations."

The Singaporan foreign minister said that he has no doubts that Chile will be able to achieve development which has yielded so many benefits for his country. In this regard, he said that 1995 statistics indicate that the Chilean economy is the most competitive economy in Latin America.

Jayakumar is visiting Chile with the objective of strengthening ties and identifying areas for private investments.

Singapore has an area of only 641 sq km and a population of 3.4 million.

Both Singapore and Chile have excellent geographical locations in their respective regions. Both countries now have numerous opportunities through their participation in organizations such as Pacific Economic Cooperation Council (PECC) and APEC.

In the afternoon, Jayakumar and Insulza went to Government House where they met with President Frei. During the meeting, they discussed bilateral issues and particularly studies being conducted on the signing of an agreement for the protection of investments.

Foreign Minister Insulza said that another measure under study is the signing of a vast commercial agreement, and the establishment of mechanisms to promote trade.

Finance Minister Holds News Conference on Development

PY1910110095 Santiago EL MERCURIO in Spanish 13 Oct 95 p A1

[Report by Carolina Garcia de la Huerta, special correspondent in Washington]

[FBIS Translated Text] Chilean Finance Minister Eduardo Aninat has said that the election of Chile to preside over the 51st Assembly of the IMF Board of Governors and the World Bank, to be held in Washington next year, is a sign of recognition for the efforts made by Chile over the years to attain economic stability and growth.

Aninat, after receiving this distinction, held a news conference with foreign journalists during which he referred to the most important Chilean economic achievements. He said this election should be regarded as a prize for having curbed inflation and for having a government that is active in the fiscal field and that promotes social programs.

In his speech during the closing of the 50th Assembly of the World Bank and the IMF, Aninat said that despite the good times the world is experiencing, "this is not a time for self-indulgence." The minister noted that the new foundation of a universal growth and the expansion of trade should help our countries consolidate economic reform, structural adjustment programs, and development in the social field.

Aninat explained that the issues raised during these past days at the various meetings of the World Bank and IMF prove that the world economy — in general — is experiencing a good moment. "In fact, both in terms of the prospects for global growth as well as the stabilization efforts, the world scenario today shows signs of progress that should be noted." The minister stressed that "our countries must decidedly persevere

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in public policies to fight the phenomena of poverty, indigence, and neglect."

In this connection, he explained that the developing countries are particularly aware that the role played by fiscal policy goes beyond the macroeconomic goals. The reason for this is a "marked imbalance in the distribution of the benefits of progress and in the way in which the various social classes obtain the benefits of growth." Within this context, he asserted, the role that the public budgets and the fiscal policy may play in consolidating macroeconomic balances is considered a decisive factor.

The minister stated that in the international context, it should be seen that the poorest countries receive the necessary financial aid and that the scarce resources be used efficiently.

Standing before a large group of international representatives, and sharing the pride experienced by the official Chilean delegation and Chilean representatives who gathered to celebrate the special distinction Chile received yesterday, Aninat mentioned his firm conviction that the IMF as well as the World Bank will continue to grow stronger to play a more vigorous, flexible, and creative role in the search for solutions to the challenges the world faces today.

Later on during the news conference, Aninat fully endorsed the appeal by the World Bank chairman, who said that the industrialized countries must "at least" return to the financial aid patterns used during the past decades. He said that it should not be possible that fiscal adjustment excuses prompt industrialized countries to try to reduce their aid to the less developed countries of the world.

When asked by foreign journalists about Chile's current situation, Aninat only disclosed certain relevant figures in order to show the country's economic solvency. In this connection, he said that a growth rate of 6.5 percent is expected for 1996, which will demand a lot of work because the objective of trying to reduce the inflation rate by 1.5 percent between 1995 and 1996 is a complex job.

Regarding this year, Aninat said that inflation could reach 7.9 or 8.1 percent, but that it will definitely be around these figures, "although the month of August was bad." In this connection, he said that the inflation figures currently prevailing in Chile indicate a tendency to fall below 8 percent. In terms of growth, he told the foreign journalists that the rate will reach 7.5 percent in 1995, a figure well above the initial estimate of 5.8 to 6 percent.

Regarding trade, Minister Aninat said that the figures predict a $1.7 billion surplus for this year, while the current account also shows a small surplus. On this occasion, the minister also noted that Chilean savings reached the record figure of 27 percent of the GDP.

Asked about the poverty levels in Chile, Aninat said that it continues to be a poor country where 28 percent of the people live at or below the poverty level, although this figure contrasts positively with the 39 percent of the people who used to live at this level in 1988. Regarding extreme poverty, the minister said that 15 percent of the population belonged to this category in 1988, but now only 8 percent are in this group.

With regard to these figures, Aninat said that he was not satisfied with the progress made so far in the redistribution of income, although he asserted that new studies and new calculation techniques are necessary to determine the real levels of poverty in Chile. He said that the "distribution of income in Chile is neither worse nor better than before, but it is a fact that there has been no progress in this field."

As for unemployment, the minister asserted that this variable is evolving positively because the jobless rate, which in past decades reached 28 percent, will be around 5.9 percent this year. However, he noted that employment has not increased as much as the government expected, and that during 1995, of the positions budgeted, only 67,000 new jobs have been created.

New Air Force Commander Interviewed

PY1810235595 Santiago EL MERCURIO in Spanish 1 Oct 95 pp D10-D12

[Interview with General Fernando Rojas Vender, new Air Force Commander, by Raquel Correa; place and date not given — all ellipses as published]

[FBIS Translated Excerpt] [Correa] The Chilean Air Force [FACh] is the only branch of the Armed Forces that has rotated its high-ranking leaders. Do you think it is better...?

[Rojas] From the technical-professional viewpoint it has been really good for the FACh. It has given the programs the institution must carry out in due time great stability. Moreover, it allows me to know, if I am still alive, exactly on what day and at what time I will retire.

[Correa] Do you think four years is a reasonable period of time?

[Rojas] I think it is a reasonable period of time. Maybe when I have completed three years I will think it is not long enough... We have to keep flying to be able to keep up with the latest developments.

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[Correa] Do you also believe 22 years is reasonable...?

[Rojas] That is a tricky question... Four years is a reasonable period of time for the FACh.

[Correa] Who is the most influential person in Chile?

[Rojas] Although there may be others, I think it is the president of the Republic.

[Correa] You have said you maintain "a good relationship" with General Pinochet.

[Rojas] Yes. I have both a good personal and professional relationship with him. In 1973 I was squadron commander.

[Correa] Do you treat him as your equal?

[Rojas] Professionally speaking, yes, he is my equal, but always respecting him as a person. He was president of Chile for many years and we strongly respect institutional seniority.

[Correa] Do you admire him as a soldier or as a chief of state?

[Rojas] I admire him for what he did as chief of state. I got to know him better in that role, although in his role as a soldier he also has leadership capability. [passage omitted]

[Correa] How would you describe the current cilivian-military relationship?

[Rojas] The civilian-military relationship, at least within the FACh, is rather good with all the civilian sectors with which it relates. But there is a political-military relationship that suddenly deteriorates. Human rights, specifically, are a subject of clashes because there is still no reconciliation. However, I believe most Chileans have overcome this problem.

[Correa] Probably those to whom nothing happened?

[Rojas] Nothing so serious. But a lot has to be done for the other sectors to reach a reconciliation. Because representatives of the other sector also violated the human rights of the members of the armed and security forces.

[Correa] In the case of the missing...

[Rojas] The case of the missing is a very difficult subject.

[Correa] Do you think revolutionary violence is the same as institutional violence?

[Rojas] I believe that in the case of the missing, the institutions were not responsible. It was the result of actions carried out mainly during the first few days.

[Correa] But we are not talking about isolated cases. There were secret prisons, clandestine cemeteries...

[Rojas] Those were not institutional decisions.

[Correa] Does the FACh gaze into the sky and whistle when the human rights subject is raised?

[Rojas] Do you mean because we are not involved in the subject? Maybe we are. There are some trials. But I am certain that if there were any abuses, in the case of the FACh it was not following an institutional order, and I believe the same goes for the other institutions. Certain people acted on their own initiative. But because it was not something institutional it is hard to know the truth. There are no chances of finding a registry...

[Correa] Wasn't the DINA [National Intelligence Directorate] institutional?

[Rojas] The DINA was institutional. But I am talking about the FACh institution.

[Correa] Wasn't the "Joint Command," in which the FACh did participate, institutional?

[Rojas] No, as far as I understand. Some people say they participated in the "Joint Command" but it was not an institution of the FACh.

[Correa] The DINA and the CNI [National Intelligence Center] are held responsible for most cases. In other words, organizations...

[Rojas] State organizations. Of course.

[Correa] Do you think that the sentence of retired [Army officers General Manuel] Contreras and [Brigadier Pedro] Espinoza triggered the current disagreement?

[Rojas] We have been experiencing this problem since 1990 when the Rettig report was disclosed. The commanders in chief gave their opinion, at that time, before the National Security Council. It is a problem that has been dragged along all this time with ups and downs. It has worsened by retired Gen. Contreras' case.

[Correa] Who is responsible in the "Espinoza-Contreras Case," the Supreme Court, the president of the Republic, or themselves?

[Rojas] We hope the court did its work properly, abiding by the laws currently in force.

[Correa] Don't you question the trial?

[Rojas] No. I do not question the trial. But, of course, justice is not an exact science and there may be mistakes.

[Correa] Do you believe it made a mistake in this case?

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[Rojas] I do not know. To give an opinion I would have to know the details of the complete process. In a state of law I cannot question a court ruling.

[Correa] Do you think the military government made a mistake by excluding this case from the Amnesty Law?

[Rojas] I am not sure. There must have been a reason not [as published] to exclude it.

[Correa] Pressure exerted by the United States?

[Rojas] I don't think so.

[Correa] What do you think should be done to attain a reconciliation?

[Rojas] It is something personal. Each person should forgive if he has something to forgive. Those who believe in God find it easier to forgive...

[Correa] For that some must repent and others are generous. General, don't you think repentance is necessary?

[Rojas] Who has to repent? Us? I can assure you that the FACh, as an institution, does not have to ask for forgiveness for anything. This is why I maintain that it is something personal. If somebody is responsible for abuses, he should repent and ask for forgiveness. It is not an institutional issue. I am not going to talk about mechanisms. I am thinking about two sectors. One sector feels affected and publicly expresses it is against any agreement, against an amnesty, etc. Therefore, if each sector were to forgive there would be a greater degree of reconciliation.

[Correa] You talk about forgiveness rather than forgetting.

[Rojas] Yes. Personal forgiveness. Another person talked about forgetting...but I am not going to give an opinion. But I reiterate: We must reach reconciliation prior forgiveness.

[Correa] What could the current situation lead to?

[Rojas] Our country's development is being obstructed. It no longer refers to development in itself, but rather the development necessary for many to pull out of the poverty level in which they live. We cannot continue looking back into the past.

[Correa] If the situation were to continue unchanged or even get worse, what could happen?

[Rojas] It would be an internal problem.

[Correa] A coup, general?

[Rojas] No. I do not think the necessary conditions for a coup exist. That word should be erased from the dictionary. I cannot think of any situation that may result in a military intervention.

[Correa] Do you think a prison for military officers is necessary?

[Rojas] Yes. There are those sorts of prisons in many countries. They are prisons exclusively for military officers, not for people with special privileges.

[Correa] Who should guard these prisons?

[Rojas] If it is a prison exclusively for military officers it should be guarded by the Armed Forces and Carabineros. But it is hard to discuss that subject at this moment: We all have our minds set on a certain person, not on a system.

[Correa] What do you think about the president's proposal to solve the human rights problem?

[Rojas] I do not want to discuss the subject. It is a project that has been submitted to Congress. We are assessing the projects to give an opinion through the institutional channels we use or before the congressional defense commission if we are invited to do so.

[Correa] Would you say that Pinochet's proposal to forget clashes with the "healthy historic memory" that Frei proposes? [question as published]

[Rojas] I do not want to comment on that.

[Correa] Who speaks on behalf of the Air Force?

[Rojas] The commander in chief, exclusively.

[Correa] Several generals have spoken in the Army, right?

[Rojas] Each institution has its own system. In the FACh everyone knows that the commander in chief is the only one who can publicly voice an opinion.

[Correa] When Pinochet gives his opinion on these subjects, do you see him as the commander in chief or as a former president of the Republic?

[Rojas] If you are talking about political subjects, I see him as a former president of the Republic. The time he acted as president of the Republic gives him a special connotation.

[Correa] What do you think about the proposed reform of the Armed Forces Organization Law?

[Rojas] From the technical-professional viewpoint I believe that for the FACh that law has worked very well as it is. It has safeguarded the professionalism of the generals involved in the subject. I and the institution believe that the organizational law should remain untouched, that it should not be changed.

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If it is going to have anything to do with the retirement of generals, people outside the institution might try to influence those who have a say in these decisions.

[Correa] Don't you think the authority of the president of the Republic is diminished if he does not have the power to decree the retirement of a general after hearing the commander in chief's opinion in special cases?

[Rojas] Regarding that subject, I must tell you that we are experiencing a transition. There are punctual facts that may distort the sense of the constitutional precept. In a country living through normal times, without a transition process, this should not be a problem: There would be no need to modify it. Because if any general makes a serious mistake, the commander in chief will be in charge of removing him from the institution. If the president of the Republic asks him, the commander in chief will react accordingly. [passage omitted]

[Correa] Were you very sorry about the failure of the Fasat-Alfa satellite?

[Rojas] I felt very frustrated.

[Correa] Do the jokes made about it bother you?

[Rojas] Not when they are cunning. But, of course, they bother me when they are nasty. I enjoyed the joke that we should have called it "Elizabeth Taylor" because it has split up about eight times...

[Correa] Do you know what prevented the separation?

[Rojas] A commission, comprising representatives from England, Ukraine, and Chile, is carrying out an investigation.

[Correa] Not Russia?

[Rojas] No, because Ukraine is responsible for that part. Russia did its duty by putting it into orbit. The great suspicion is that the power circuit did not generate the necessary power. The circuits were separate. The other possibility that is being looked into is that the two fuses [pernos explosivos] did not work.

[Correa] Are you absolutely sure the Chilean satellite was launched into space?

[Rojas] Absolutely certain... The first U.S. Air Force report from Colorado stated that they were linked up. But our satellite was programmed to issue a signal only after it separated.

[Correa] Why wasn't it launched alone?

[Rojas] Because that would be much more expensive.

[Correa] Do you consider it definitely lost?

[Rojas] I have lost the hopes that it will transmit any signals. We know it is in orbit. We have no problems with the insurance companies but must wait a prudent period of time. Anyhow, the project was not a failure; it fulfilled many of our objectives — such as training a group of engineers, establishing relations with international space agencies, obtaining the "know how" [two preceding words in English] to build satellites. Our engineers were responsible for some of the most attractive experiments it was going to carry out, such as the one referring to the ozone layer. What we have lost — and this is the main reason for our frustration — was the information the satellite was supposed to supply. In less then one year's time we will have another one in orbit.

[Correa] Argentina and Brazil have their own satellites. Do you feel humiliated?

[Rojas] No. Everyone has experienced this sort, and even worse, accidents. I believe Argentina has one satellite but they did not build it. They are now building another one. Brazil is very advanced in the aeronautics field. In addition to having built its satellite, Brazil is starting a new series of them and is going to build launching rockets. That is talking business but we are never going to engage in that field... A launching platform and launching rockets are something extremely expensive.

We can already build between 60 to 70 percent of a satellite in Chile. Our objective is to promote space research in our country. We are starting and then want a state space agency to take over, that national space policies be designed with FACh participation.

[Correa] What is Chile, a country with one third of its population living in poverty, doing in that big dogs' fight?

[Rojas] Well... Chile will always be a small dog in space. But progress must be made in this field. We use space technology all the time, every day. It is applied more and more every day and Chile has to use it. The gap between a country such as ours and the developed countries is growing wider; these mini-satellites are a step towards closing this gap... The train travels very fast, if you don't catch it at the station, even the last wagon, you never get on.

[Correa] Don't you think it left long ago?

[Rojas] No. But it is leaving and we must start some time.

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Deputies Studying Impeachment Proceedings Against Insulza

PY1910020395 Santiago Universidad Catolica Television Internacional in Spanish 0100 GMT 19 Oct 95

[Speakers identified by screen caption]

[FBIS Translated Text] Opposition deputies in Congress are studying impeachment proceedings against Foreign Minister Jose Miguel Insulza for the loss of Laguna del Desierto.

In his address to 91 deputies at noon today, Foreign Minister Jose Miguel Insulza categorically reasserted that Chile cannot unilaterally declare void the ruling of the Arbitration Court that handed over to Argentina the 530-square kilometers of Laguna del Desierto. He clearly said he assumes only part of the responsibility regarding this subject:

[Begin Insulza recording] I would like to know what political force among all those represented in the Chilean Congress, what deputy, what senator, objected to the arbitration with Argentina. [end recording]

In the opposition's opinion, the government of former President Patricio Aylwin and the current foreign minister are responsible for this loss, for having defended Chile's interests weakly.

[Begin recording of National Renewal Party Deputy Alberto Cardemil] There is enough legal and political evidence to impeach him and demand that he shoulder his responsibility before this chamber. [end recording]

In the minister's opinion, these charges may be dangerous for Chile's international image.

Opposition Blames Government for Laguna Del Desierto Ruling

PY1810235295 Santiago EL MERCURIO in Spanish 15 Oct 95 p C3

[FBIS Translated Text] Yesterday opposition legislators reacted harshly against the government's foreign policy, in view of the definite loss of Laguna del Desierto, while Senate Chairman Gabriel Valdes made an appeal to accept the ruling of the Rio de Janeiro Arbitration Court with calmness.

In the opposition, independent Senator Antonio Horvath has announced that he will request a special session of Congress and an urgent meeting of the National Security Council, while Hernan Larrain, senator and UDI [Independent Democratic Union] vice chairman, and RN [National Renewal] Deputy Alberto Cardemil requested Foreign Minister Jose Miguel Insulza's resignation.

Senator Antonio Horvath questioned the government decision not to contest the new adverse arbitration ruling. He termed the court's ruling a "comedy of errors" that causes great damage to Chile's geopolitical interests.

He said: "We should not hastily accept the court's ruling before thoroughly assessing the 92 pages explaining the decision."

In the meantime, Senator Hernan Larrain (UDI) accused President Eduardo Frei and Foreign Minister Jose Miguel Insulza of being the main individuals responsible — together with former President Patricio Aylwin and his foreign minister, Enrique Silva Cimma — for what he termed "the greatest failure of this century of Chilean foreign policy."

Larrain described what in his opinion are the mistakes of the government of the Coalition of Parties for Democracy. Among these mistakes he mentioned the decision to resort to an arbitration when there was no need for it. Moreover, he said that the opinion of various sectors of the community was never requested.

"Moreover, the membership of a court without any authority on the subject — because the appointed judges had no experience or knowledge on international law and border conflicts — was accepted."

RN Deputy Alberto Cardemil announced yesterday that he will promote an impeachment process against the foreign minister, whom he accused of having seriously compromised national security.

He asserted: "There is enough evidence to come to the conclusion that the foreign minister has harmed Chilean defense and national resources right from the beginning, with his public and private comments in the Chamber of Deputies, the Senate, and to sectors of the media."

Yesterday afternoon Senate Chairman Gabriel Valdes said he was hurt, as a "Chilean and patriot," due to the adverse ruling of the Arbitration Court.

Although he said that the members of the Arbitration Court did not meet expectations, he asked all Chileans to accept the ruling with calmness because that has always been the country's tradition and doctrine.

Valdes explained: "Chile depends on its words because our defense and security depend on the legal validity of the treaties signed. The borders are thus calm and the nation is respected. Our jurists strongly protested the misjudgment of the members of the Arbitration Court, but nothing could be done before judges who did not judge us strictly in accordance with the law."

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The Senate president said that there is no chance of making an appeal and all there is left is to "regret the poor quality of the people in charge of the arbitration."

In view of the adverse result, Senator Valdes said he has serious doubts about submitting the pending dispute over the Southern Glaciers to an arbitration."

In his opinion, what the state must do to make its sovereignty effective is occupy the land that is uninhabited and inaccessible and "worry about what our Army has rightly called the 'interior borders.'"

Socialist Deputy Jose Antonio Viera-Gallo admitted that the ruling of the Arbitration Court represents a "Chilean defeat" in terms of its historical claim to sovereignty over that territory.

However, Viera-Gallo rejected criticisms regarding the subject and stated that no government had managed to get Argentina to withdraw its troops from the zone. He recalled that the ruling is based on the peace treaty signed during the government of General Augusto Pinochet, and said that the responsibility concerning the issue goes back in history. "Chile has never sufficiently exercised sovereignty there, as it did in the Antarctic."

Gen. Stange Interviewed on Resignation From Carabineros

PY1810145195 Santiago LA TERCERA DE LA HORA in Spanish 8 Oct 95 p 6

[Interview with Carabineros General Rodolfo Stange by unidentified LA TERCERA DE LA HORA reporter; place and date not given]

[FBIS Translated Excerpt] Without restrictions, prohibitions, or limitations of any kind, the interview with General Rodolfo Stange was open and without censorship. It came right after he emotionally explained why he resigned as Carabineros director general, a position he occupied for more than 10 years.

[LA TERCERA DE LA HORA] What were your main achievements during your 10 years as head of the Carabineros?

[Stange] My main achievement is that opinion polls show the level of appreciation for the Carabineros is extremely high. I congratulate myself on that, because as director general I always accepted praise and criticism. The work of each Carabineros member has improved the image of the institution in the eyes of the people. [passage omitted]

[LA TERCERA] Is your retirement the result of negotiations?

[Stange] There are no negotiations between bosses and subalterns. The government is my boss. The president of the Republic is the boss of the Carabineros director general.

[LA TERCERA] If there were no negotiations, was there pressure?

[Stange] We are mixing two things: negotiation and pressure. My first commitment is to the institution. If I cannot maintain the institution calm and prevent the Constitutional organizational law from being implemented, I gladly place my position at the disposal of the president of the Republic.

[LA TERCERA] Does this mean that if you had remained, it would have affected the institution?

[Stange] I did not say that.

[LA TERCERA] Has anyone insinuated that the situation might have affected the organizational law of the institution?

[Stange] I noticed it. No one told me anything.

[LA TERCERA] Do you confirm your belief that the Carabineros as an institution is more important than its individual members?

[Stange] Yes. We are all members of a huge organization and, beyond individual personalities, each one comprises the Carabineros institution, which belongs to the country and which is an asset to the entire Chilean society. Above individuals comes the concept of the Carabineros de Chile institution.

[LA TERCERA] What happened then, if there were no negotiations or pressure?

[Stange] I told the president of the Republic that I would retire on 16 October. If you believe there were negotiations, well.... I have set my retirement date, because this was my privilege.

[LA TERCERA] Are you leaving your position upset with the government?

[Stange] When you say government, to whom do you refer? The president of the Republic, the defense minister? Please clarify this. If you mean the president of the Republic, very much the opposite. I owe him gratitude. I believe he is the administration. The others are just his trusted officials. [passage omitted]

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Colombia

President Rules Out Possibility of Coup d'Etat

PA1810142595 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1300 GMT 18 Oct 95

[From "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] President Ernesto Samper Pizano has rejected the possibility of a coup d'etat in Colombia and has accused SEMANA magazine of propitiating an institutional weakening. The statements by the president of the Republic were made to journalist (Joaquin Ibars), a correspondent of the Barcelona newspaper VANGUARDIA, during Samper's return trip from San Carlos de Bariloche to Cartagena. Samper was asked about the possibility of a coup d'etat in Colombia, and he categorically replied: It is unthinkable.

Internal Disturbance Decree Declared 'Unconstitutional'

PA1910032095 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 19 Oct 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] Attention: tonight, the Constitutional Court declared unconstitutional the decree of internal disturbance that President Samper's administration had issued a few weeks ago. With Magistrate Carlos Gaviria in attendance, the Constitutional Court adopted the view that it is not admissible to declare a state of internal disturbance with the argument that violence prevails in the country because this violence is pathological and is something the country has been enduring for many years.

The government will now have to seek other arguments to maintain the public order decrees issued after declaring the state of internal distrubance, which was suspended today by seven votes to two.

Samper: Political Situation Not Negative for Economy

PA1810155895 Santa Fe de Bogota EL TIEMPO in Spanish 15 Oct 95 p B-3

[FBIS Translated Text] Relations between President Ernesto Samper and industrialists were tense this week. President Samper sent them a letter two weeks after the National Union Council issued a statement saying the attitude of certain government officials is detrimental to the country's economy and its commercial agreements with other countries.

In his letter, Samper assured them the current political situation in the country has not had any negative effects on the economy. He also said he does not understand the council's opposition to obtaining the necessary funds to finance the Development Plan through tax reforms.

Two days later, a group of businessmen, which did not include certain professional groups as the Andi [National Association of Industrialists] or Fenalco [National Federation of Businessmen], invited the president to a meeting at El Nogal Club in Santa Fe de Bogota.

During the meeting, which some participants described as frank and direct, Samper admitted there are economic problems but said they are manageable. The businessmen said the risk is high if the political crisis is not resolved soon although the country's economic situation is not dramatic.

Therefore, the general consensus was that investigations concerning Case No. 8000 should end as soon as possible in order to recover the government's credibility and overcome the current uncertainty.

President Samper took advantage of the opportunity to remind those present of the importance of supporting tax reforms, which include a 16 percent value added tax.

At the end of the meeting, the businessmen applauded Samper.

President Unveils National Anti-Drug Plan

PA1810142495 Santa Fe de Bogota EL TIEMPO in Spanish 11 Oct 95 p 6A

[FBIS Translated Text] With an investment of 98.2 billion pesos, the Colombian Government committed itself yesterday to eradicate the 40,000 hectares of illegal crop still left in the country.

The announcement was made by the President of the Republic Ernesto Samper during the unveiling of the National Plan to Eradicate Drugs in Colombia. According to the president, "It is Colombia's commitment to attack the international drug problem."

During the event that took place at Narino Presidential Palace with the presence of representatives of each of the state branches, Samper disclosed the guidelines that are being applied to counter activities by drug traffickers.

Samper pointed out that funds to be used to eradicate illegal crops, equivalent to $100 million, will originate from a financial assistance that is currently being negotiated with the Inter-American Development Bank (IDB).

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At the same time, the Ministry of the Environment will be executing a Environmental Restructure Plan that will be implemented in those regions currently overrun by illegal crops.

According to official figures, this year the police has eradicated 26,709 hectares of cocaine, 6,358 hectares of poppy, and 3,700 of marijuana. Likewise, according to the president, the National Alternative Development Plan (Plante) has also been able to eliminate nearly 10,000 hectares of illegal crops.

Eight Hundred Fifty-Two Billion

Throughout the year, the total project to attack drug trafficking will consist of an investment amounting to 852.029 billion pesos, which is equivalent to 4.8 percent of the nation's budget and 1.54 percent of GDP.

The amount invested in 1994 was equivalent to 638.83 billion pesos.

The document unveiled by the national government explains that the objective of the program is to "challenge and systematically reduce the causes and signs of the drug problem by means of the execution of measures to encourage community participation."

The entire program will encompass 10 specific areas that include curbing and restraining, changes in the justice administration system, eradication of illegal crops, industrial production of drugs, narcotics distribution, assets laundering, persecuting the cartels, National Alternative Development Plan (Plante), consumption hazards, and international burden.

President Samper stated that the success of the program depends mainly on the role played by the governors and mayors of each department in formulating and executing regional strategies.

Strengthening the justice administration system and the surrender policy are the key to the legal strategy the government is utilizing in its search to dismantle the drug trafficking organizations.

To this end, according to the official document, seven laboratories of the Technical Investigation Corps of the Office of the Attorney General will be operating, a central communication system will be established to provide rapid information with respect to the number of drug trafficking and related crimes, the number of suspects linked to these crimes, the number of individuals sentenced, and socio-cultural profile of individuals involved in drug trafficking.

More Prisons

With respect to the prison system, the government announced that physical safety and management system within prisons will be improved. In addition, a special rehabilitation program targetting at least 40 percent of addicted inmates will be introduced, and a drug prevention program that attends to the needs of no less than 60 percent of the country's inmate population will also be installed.

To this end, new prisons will be built with the objective of cutting prison overpopulation. One of these centers will be intended exclusively to rehabilitate drug-addicted inmates. However, the document does not indicate how many new prisons will be built, or where they will be located.

Air Controls

The document also explains that illegal air traffic of raw materials used by drug traffickers will be controlled with the use of radars, and police surveillance will be increased.

In addition, the government intends to strengthen airport controls, establish a coast guard base in the island of San Andres, improve communication between the state intelligence agencies, and bolster air force controls over the country's air space.

According to information disclosed by the executive branch, since the Samper administration came to office, 434,000 kg of cocaine, 331,000 kg cocaine base, 432,000 kg of coca leaves, 265,000 kg of marijuana, 1,200 kg of cocaine sulfate, 169,000 grams of morphine, and 2,101,000 grams of opium paste have been seized.

At the domestic level, the Office of the Attorney General, the Banking Superintendency, the National Tax and Customs Directorate (DIAN), and the Superintendency of Stocks and Companies will bolster efforts in persecuting assets originating from illegal enrichment activities, especially money laundering.

In addition, supervision over foreign investments in real estate will be strengthened, and a commission to coordinate all activities against assets laundering will be created.

According to the government, Colombia "runs the risk of becoming a drug consuming country" due to the fact that 1.150 million individuals are currently using marijuana, 343,000 are using cocaine sulfate, 338,000 use cocaine, and an undetermined number of Colombians are addicted to some type of inhalant.

The government's objective is to identify the most vulnerable core of the population and activate educational programs that will deter narcotics consumption.

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Effect of Drug Trade on Economy Described

96WD0003A Santa Fe de Bogota EL TIEMPO in Spanish 9 Oct 95 pp 1, 3B

[Article by staff writer Jacqueline Guevara Gil]

[FBIS Translated Text] The dismantling of the leading drug cartels is helping the country to explain one question: How much damage has this illicit business done to the Colombian economy?

While some economic analysts claim that the money from the drug trade has generated a kind of cushion for the Colombian economy, and has given an impetus to sectors such as that of construction, others think that this activity has impeded a better performance on the part of national production.

The study titled "Crime and Justice in Colombia: an Economic Approach" reveals that the country may be losing three points of annual growth in the gross domestic product (GDP) as a direct result of the drug traffic.

The minister of justice, Nestor Humberto Martinez, described the effects of this scourge on the exchange and inflation rates.

Speaking at the seminar on the drug traffic economy, sponsored by the Federation for Higher Education and Development (Fedesarrollo), the official stated that the results of the counternarcotics battle have contributed to a stimulation of currency devaluation during recent months.

Whereas, during the period from January to June of this year, the peso achieved a face value devaluation of only 5.0 percent, between June and September (the interval in which the presumed Cali Cartel chiefs were captured), the peso was devalued 12 percent.

Harmful Impact

Various fronts of the productive sector have been stricken by this scourge.

The president of the National Association of Exporters (Analdex), Jorge Ramirez Ocampo, reported that the Colombian economy registered a 2.0 percent annual reduction in the GDP between 1980 and 1993, owing to the assassinations and the violence unleashed by the Mafias.

"Were it not for the destabilizing drug factor, the Colombian per capita income would have been $2,100 rather than $1,600 per year."

Added to this is the impact on legal Colombian exports. In the first place, the entry of the so-called accursed foreign currency has fostered revaluation: a factor detrimental to the income of honest business owners.

This is compounded by the deplorable spectacle appearing at the international airports, where large amounts of goods are being virtually destroyed in the search for drugs. One example of this is the situation for Colombian flowers.

Consequently, the guild leader acknowledged that the attack on the drug traffic will clearly be an accelerator of the country's economic development.

The other side of the coin was depicted by Oscar Borrero, a builder and private consultant, who revealed studies on the sizable investments made by the drug traffic in the construction sector.

He claimed that, during the past 15 years, the investments made by the Medellin and Cali Cartels in construction possibly amounted to $6.5 billion.

Between 1980 and 1988, the Medellin Cartel may have invested nearly $3.2 billion in real estate. The Cali Cartel, for its part, may have made investments totaling a similar amount between 1989 and 1994.

According to Borrero Ochoa, one example of this business is the fact that, during 1990 alone, the Cali Cartel was responsible for the construction of housing on 233,000 square meters, in the Valle capital.

It may be claimed that, during the past five years, in Valle del Cauca alone, the drug dealers' investments in housing, farms, and lots totaled $1.61 billion: in other words, 1.5 trillion pesos.

Hence, Borrero Ochoa was of the opinion that a decline in the construction sector could be attributed (apart from the oversupply, high interest rates, and the political crisis) to the fact that "narco" money is no longer reaching it.

"This second level of the economy has been taken away from it, because the money from the drug traffic was, in fact, generating a foam cushion," declared the builder. He estimated the drug trade's annual economy as totaling between $2 and 2.5 billion.

However, while the drug trafficking phenomenon is notorious in the cities, the studies indicate that it is even more so in the rural areas.

An investigation made by Alejandro Reyes concluded that, whereas in 1992 the number of municipalities in which significant land purchases by drug traffickers had appeared was 251, today it has risen to 409 municipalities.

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What Is Expected

With the dismantling of the Cali Cartel, the analysts think that there will be greater stability in the exchange rate, a recovery in exports, and more stability in land and housing prices.

The president of the National Association of Financial Institutions (ANIF), Javier Fernandez Riva, noted that the fact that the business is moving to other countries has caused a reduction in foreign currency, thereby curbing the revaluation phenomenon.

According to the codirector of the broadcasting entity, Salomon Kalmanovitz, the strongest effect from the dismantling of the Cali Cartel and the other criminal organizations will be reflected in the drug traffic's activity. It will be forced to become legalized, inasmuch as the money lenders in Panama (one of the countries supplying this type of merchandise) will be left without dollars with which to finance their purchases.

Spending on Battle Against 'Narcos' (in millions of pesos)

Entity	1994	1995	Percentage of Variation
Ministry of Health	1,657	1,706	2.9
Ministry of Education	661	1,420	-114.8
Ministry of Justice	3,370	4,810	42.7
Ministry of Defense	578,428	785,000	35.7
Ministry of Communications	235	348	48.0
Attorney General's Office	9,826	12,262	24.7
Prosecutor General's Office	16,387	13,700	-16
National Court and Judges	1,735	2,502	44.2
DAS*	1,138	1,155	1.5
Impec**	16,637	20,520	23.3
Judicial Branch Fund	2,320	3,317	42.3
ICBF***	506	0	-100
PNR****	871	0	-100
PNDA*****	0	40,743	Not comparable
Narcotics Directorate	4,666	3,261	-30
Bogota City Hall	531	524	-1.3
Medellin City Hall	224	496	322.3
Atlantico Department	45	113	151.1
Santander Department	440	0	-100
Caldas Department	940	412	-56.1
Total	640,617	892,739	39.3

Footnotes: * Administrative Department of Security; ** National Prison Institute; *** Colombian Family Welfare Institute; **** National Rehabilitation Plan; ***** [not further identified]

Source: Ministry of Finance

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Ecuador

Events Linked to Election of New Vice President Viewed

President Proposes Candidates

PY1810190195 Quito Voz de Los Andes in Spanish 1815 GMT 18 Oct 95

[Address to the nation by President Sixto Duran-Ballen—live or recorded]

[FBIS Translated Text] Fellow countrymen: As I was telling you some days ago, Ecuador has experienced weeks of uncertainty and concern. We have experienced a period in which the political crisis has prevented Ecuadorans from normally carrying out their daily activities. In fact, as the Catholic Church has stated, our country cannot wait any longer. The legislative and executive branches, united, must find the path that will help us overcome the current situation and thus recover the harmony and calmness necessary to focus our attention on and tackle the great national problems. That is the duty of the government and the people. That is what the people demand.

After accepting the resignation of the vice president of the Republic, the representatives of the serious political parties of our country in Congress patriotically acknowledged my proposal regarding the need for the new vice president to be elected from the names suggested by the president of the Republic. Aside from the legal considerations, in my capacity as your president, I have the moral duty to again insist on this proposal that was accepted by the great majority.

I am certain that Congress, the legislators, above everything will honor their commitment to the country and this afternoon will elect the vice president of the Republic in a democratic and fair manner.

Fellow countrymen, after sounding the opinion of various political and professional organizations, I take the liberty to submit for consideration of the national Congress the names, in alphabetic order, of the following distinguished citizens: Raul Gangotena, Pedro Lopez, and Eduardo Pena. These three outstanding Ecuadoran citizens have the knowledge and experience necessary to continue, as vice president, their outstanding performance at the service of their fatherland.

Whoever is elected constitutional vice president of the Republic, in addition to enjoying the full confidence of the president, will assume the planning tasks belonging to the National Development Council and will aid the chief of state in governing the country during the coming 10 months.

Fellow countrymen, it is our desire to continue tackling, in a responsible and serious manner, the serious problems affecting our country. For this, this afternoon I once again urge you to decisively respond to your fatherland's permanent appeal for unity. Only a broad, patriotic, optimistic dialogue will allow us to successfully overcome the current challenges. Fellow countrymen, let us tackle this challenge.

President's 'Fear' of Arrest

PY1810210895 Madrid EFE in Spanish 1916 GMT 18 Oct 95

[FBIS Translated Excerpt] Quito, 18 Oct (EFE)—Ecuadoran President Sixto Duran-Ballen today named Raul Gangotena, Pedro Lopez, and former Education Minister Eduardo Pena as government candidates to replace former Vice President Alberto Dahik.

Chemical engineer Raul Gangotena, currently a member of the Monetary Board (the organization that handles the economy), is also an economic analyst and leader-writer of the Guayaquil daily EL UNIVERSO.

Lopez is public works minister and Pena was the first education minister of conservative President Duran-Ballen's administration. [passage omitted]

Independent Deputy Luis Almeida today told EFE that the decision to bring the date of the special Congress session forward was due to Duran-Ballen's "fear" that he might be involved in the penal trial by the Supreme Court of Justice [CSJ] against Dahik under charges of alleged embezzlement of public funds.

Almeida asserted that during a meeting with Duran-Ballen, he "hinted that he feared—in view of the comments circulating—he would be involved in the trial, and that his arrest might be requested. He feared he would not have a vice president, and that is why he urgently convened (the extraordinary period of sessions)."

According to several deputies, the possibility that Duran-Ballen will be subject to a penal trial is based on his possible responsibility for not allowing CSJ President Carlos Solorzano to have access to microfilms containing information on the bank accounts in which discretionary funds were deposited, accounts that are currently being investigated by the court.

Congress Designates New Vice President

PY1910031895 Madrid EFE in Spanish 0259 GMT 19 Oct 95

[FBIS Translated Text] Quito, 18 Oct (EFE)—The Ecuadoran unicameral Congress today elected the new vice president of the Republic. He is Eduardo Pena

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Trivino, 57, one of the three candidates suggested to the deputies by Ecuadoran President Sixto Duran-Ballen.

Pena Trivino, former education minister during the administration of President Duran-Ballen, will accompany the 73-year-old president during the remaining 10 months of his four-year term, which will end on 10 August 1996, and will replace the president in case of a temporary or an eventual definite absence.

Results of Voting Reported

PY1910033895 Quito Voz de Los Andes in Spanish 0307 GMT 19 Oct 95

[FBIS Translated Text] Voting on the new vice president of the Republic has just ended.

[Begin recording] [Acting Congress President Franco Romero] Mr. Secretary, please read the results of the voting.

[Congress secretary] Forty-eight votes for Dr. Eduardo Pena Trivino, eight votes for Jaime Brein, fourteen votes in favor of Dr. Jaime Aspiazu Seminario, and two abstentions.

[Romero] Consequently, congressmen, Dr. Pena Trivino has been elected by the national Congress as the constitutional vice president of the Republic. [end recording]

Oil Workers Mobilize for Suspension of Privatization Program

Offices of News Agencies Occupied

PY1810182095 Quito Voz de Los Andes in Spanish 1730 GMT 18 Oct 95

[FBIS Translated Text] Quito—A group of human rights activists and members of the Ecuadoran Oil Workers Union staged a peaceful occupation of international news agency offices in the country.

The demonstrators broke into the offices of the Associated Press, AP; ANSA; and announced they have also occupied the Interpress Service Agency, IPS, offices.

An ANSA agency spokesperson said: "A dozen people abruptly broke into the agency offices and told me this was a peaceful occupation. They said they wanted access to an open communication channel because they have no access to the traditional media."

The spokesperson added that minutes before, the group broke into the AP agency but because AP computers were undergoing maintenance work, they left and broke into the ANSA offices.

Oil workers are demanding the suspension of the oil industry privatization program. The workers occupied the ANSA agency for about three hours.

Ecuadoran oil workers announced today that their threat to stage a full energy strike still stands. This is the second week that the oil workers are protesting over the government's privatization policy. On 16 October they staged a fast and last week they chained themselves to a pipe that symbolized the trans-Ecuadoran pipeline that the administration intends to privatize.

Petroecuador Building Seized

PY1810213095 Madrid EFE in Spanish 1910 GMT 18 Oct 95

[FBIS Translated Text] Quito, 18 Oct (EFE)—Some 200 oil workers today seized by surprise the installations of the Ecuadoran State Petroleum Enterprise (Petroecuador) and are keeping as hostages Energy Minister Galo Abril and Finance Minister Ivan Andrade, to prevent new privatizations in this area.

With this measure, the workers intend to prevent the signing of the bidding to expand the trans-Ecuadoran oil pipeline, for which two international consortiums are competing, with an investment of $600 million. This is the main project in this area on the part of President Sixto Duran-Ballen's government.

Miguel Aguilera, vice president of the Federation of Petroecuador Workers (Fetrapec), has told EFE that the demonstrators occupied the building upon learning that "members of the Special Bidding Council (CEL) were to meet there to sign the concession of the oil pipeline expansion."

Aguilera said: "We are not going to let those officials leave until we are certain that nothing will be signed."

A security agent from the building told EFE that "some 200 workers have occupied the entire ground floor of the Petroecuador building in Quito." He added that "for the time being, there is no eviction order, but the workers do not allow anyone to leave the building."

The source added that the upper floor of the building, for its part, is "totally" controlled by the police.

Petroecuador sources told EFE that "the CEL meeting is being held upstairs," and that "an Armed Forces representative and the finance and energy ministers, who are members of CEL, are attending the meeting." The sources have confirmed that "there is a large number of national police members safeguarding the installations and the hall of sessions."

Interim Congress President Franco Romero has reported that he is ready to begin talks with the workers and

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to establish a dialogue with them, the same sources reported.

Fetrapec President Marcelo Roman has said: "We are not going to let anyone leave." He then made "a call to the country to come and arrest these rascals."

"The 4,500 oil workers" of Ecuador "are ready for war," and they intend to "prevent the national patrimony from being lost," Roman said, referring to the bidding for the oil pipeline that carries Ecuadoran crude oil from its extraction site in the eastern region to the coast for distribution.

The oil workers began demonstrations some 10 days ago, demonstrations which were consolidated last Monday with a hunger strike to force the government to suspend all privatization processes and to demand the dismissal of Energy Minister Galo Abril.

The oil leaders today said that they keep up their threat to totally paralyze this sector if no agreement is reached with the government.

In Ecuador, petroleum generates one of every three dollars of the export supply and finances half of the fiscal budget.

Strike Called

PY1910005095 Madrid EFE in Spanish 2313 GMT 18 Oct 95

[FBIS Translated Excerpt] Quito, 18 Oct (EFE)—The more than 200 oil workers who seized the installations of the Ecuadoran State Petroleum Enterprise (Petroecuador) today have abandoned the building and freed Finance Minister Ivan Andrade and Energy Minister Galo Abril, whom they detained for approximately five hours.

The workers, however, announced that they have called a strike that may be indefinite.

A Petroecuador spokesman told EFE that the detained ministers attended a meeting of the Special Bidding Council (CEL), and were able to leave when "the workers abandoned the building, without any incidents or clashes" with the numerous police agents stationed at the site.

By seizing the Petroecuador building, the workers intended to prevent the CEL "from signing the concession involving the trans-Ecuadoran oil pipeline," which two international consortiums are bidding for, and "which we were told they would do today," according to what Miguel Aguilar, vice chairman of the Federation of Ecuadoran Oil Workers (Fetrapec) told EFE.

Fetrapec Chairman Marcelo Roman told EFE that "we have abandoned the building after determining that the concession of the oil pipeline was not signed." Roman added that "tomorrow meetings will be held throughout the country for the oil workers to prepare to paralyze the oil industry" in Ecuador, on a date yet to be established. [passage omitted]

Paraguay

Mrs. Clinton's 'First Ladies' Conference Speech Viewed

'Essential' Role of First Ladies

PY1810200995 Asuncion NOTICIAS in Spanish 18 Oct 95 p 31

[FBIS Translated Text] The U.S. First Lady spoke during yesterday's first working session of the Fifth Conference of First Ladies of the Americas. Hillary Clinton announced that her country will give $11 million for two programs on health and education for children in the Americas.

She said that despite budget restrictions, the government headed by her husband expects to appropriate $8 million for a program to fight children's diseases, specifically measles.

She stressed the U.S. commitment to invest $3.7 million in the program called Fellowship for the Revitalization of Education in the Americas (PERA) "that was created as a sustainable hemispherical fellowship that will seek to promote the adoption and implementation of effective education policies."

"I am very happy that I visited Paraguay, a beautiful country where I felt very comfortable. I was very impressed with Mrs. Teresa de Wasmosy and her husband, particularly for the important work of his administration," Hillary Clinton said at the "Silvio Pettirossi Airport" yesterday, minutes before returning to her country.

The U.S. first lady expressed admiration for the programs Mrs. Wasmosy is implementing in favor of women and children.

"We, the wives of presidents, fulfill an essential role next to our husbands and it is our obligation to accompany them in their mission because their careers depend a lot on what we can do," Mrs. Clinton said.

Hillary Clinton and her official entourage boarded the presidential plane at 1705, although the plane did not depart until 40 minutes later due to a delay in the arrival of journalists accompanying her delegation.

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Praises Wasmosy Administration

PY1810194195 Asuncion ABC COLOR in Spanish 18 Oct 95 p 7

[FBIS Translated Text] U.S. First Lady Hillary Rodham Clinton departed for Washington at 1800 [2100 GMT] yesterday. The wife of the U.S. President had a broad smile on her face when talking to reporters before boarding the limousine that escorted her to her plane. She expressed satisfaction with her visit to our country, stressing First Lady Teresa Carrasco de Wasmosy's work, particularly on women's and children's issues.

Mrs. Clinton said the work of first ladies is just as important as that of presidents. She stressed that these are transitory positions, adding that first ladies are obligated to share with presidents the important mission of ruling a country. "Many of the achievements obtained by presidents were possible thanks to their wives' work," Mrs. Clinton said.

The U.S. First Lady praised Juan Carlos Wasmosy's administration, pointing out that the president is implementing important changes in Paraguay.

Upon her departure, Hillary Clinton mentioned that she was pleasantly surprised by the country. She bade goodbye to domestic and foreign reporters at Silvio Pettirossi Airport's presidential hall with a simple "thank you very much."

Proposes 'Three-Point Agenda'

PY1810192095 Asuncion ABC COLOR in Spanish 18 Oct 95 p 3

[FBIS Translated Text] The U.S. First Lady started her speech by stressing the importance of recognizing that countries have common needs and opportunities and then proposing a three-point agenda to advance toward desired education and health goals.

The first proposal was to eliminate measles from the Americas by the year 2000. Officials are thinking in terms of a regional action plan with technical components and strategies to achieve the objective. Health officials, however, are looking for additional funds to complement what has already been received.

Hillary Clinton said her country, through USAID, has been involved in past and present efforts to eliminate the most important children's diseases in the hemisphere. "My country has plans to contribute with WHO disbursements to finance health care priorities in the hemisphere. We want to commit $8 million under this new agreement. This money will be assigned directly to the regional program for broadened vaccination, which includes support for the campaign to eliminate measles in our region," Mrs. Clinton said.

The U.S. First Lady then talked about the need to reduce the mortality rate of mothers in the Americas, an issue that cannot be separated from the well-being of children. She proposed to pay more attention to primary prenatal care and emergency obstetric care, which are relatively cheap ways to save lives. When this care is added to family planning we have very effective ways to reduce costs in countries that are still very poor.

Hillary Clinton concluded by proposing, as a third point, the urgent need to invest in children's education within the framework of an effort to improve the overall quality of teaching. She recalled that one of the goals of the summit in Miami last December was to achieve a zero dropout rate in primary schools and a high rate of high school enrollment by the year 2010.

Indigenous Community Asks Mrs. Clinton for Help

PY1810004495 Asuncion ULTIMA HORA in Spanish 17 Oct 95 p 2

[FBIS Translated Text] Members of an indigenous community delivered a letter to Mrs. Hillary Clinton on 16 October. The opening paragraph of the letter reads: "We indigenous women of the Enxet community of the Paraguayan Chaco want to convey to you the concerns and needs of Paraguayan indigenous women and children."

The letter expresses the hope that the U.S. First Lady will be able to do something to help resolve the problems of this indigenous community.

The letter briefly summarizes the background, stating that "early in this century the Chaco still belonged to the aborigines. We have since then been deprived of our land and for many years now we have been asking the Paraguayan Government to give us back a small portion of what is rightfully ours."

The aborigines report that they have been unsuccessful so far.

"The government does not pay any attention to us and we live in extreme poverty. We are Paraguay's poorest people. The national Constitution stipulates that our land should be returned to us, but nobody respects it," the letter states.

The aborigines go on to say that President Wasmosy's reports about indigenous communities receiving state aid are false. "The newspapers once reported him saying that he supports us a great deal and has given us land. This is a lie that he has been repeating time and again, even abroad. Wasmosy has never done anything for the poor; he only helps the rich," they said.

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The letter reports on the situation and suffering of indigenous women and children who do not even get medical care. "There is an indigenous community whose children have not been vaccinated for 15 years," the letter states, adding that indigenous children have been gradually dying from hunger.

"We have no work or land, and they are even trying to stop us from hunting and fishing on our traditional grounds. If we cannot fish or hunt we cannot feed ourselves," the letter states. Its signatories also focus on the land issue and point out that they have asked the administration to allocate funds in the 1996 budget.

"The INDI [National Indigenous Affairs Institute] has asked for $50 million, but the Finance Ministry has cut this down to $8 million. This amount is not enough and if Congress does not find a solution we will continue suffering and our children will continue dying," the letter from the aborigines states.

Uruguay

Portuguese President, Sanguinetti on Bilateral Relations

PY1810225995 Madrid EFE in Spanish 1848 GMT 18 Oct 95

[FBIS Translated Text] Colonia, Uruguay, 18 Oct (EFE)—During a meeting today in the Uruguayan City of Colonia, Uruguayan President Julio Maria Sanguinetti and his Portuguese counterpart, Mario Soares, manifested their wish to enhance their cultural, economic, and political relations.

Soares arrived in Colonia, 180 km northeast of Montevideo, by boat from Argentina, where he attended the Fifth Ibero-American Summit of Heads of State and Government held in the Argentine city of Bariloche on 16-17 October.

The Portuguese president was received at Colonia port by Uruguayan Foreign Minister Alvaro Ramos and Fernando Assuncao, chairman of the Honorary Commission for the Preservation and Restoration of the city.

Soares and Sanguinetti strolled around in the historic town, visited museums and historic sites, and dedicated a monument to Munel Lobo, a Portuguese nobleman who in 1680 founded the city of Colonia del Sacramento at the behest of King Pedro II of Portugal.

The Portuguese head of state was given a key to the city of Colonia by Mayor Juan Carlos Moreira. In thanking the honor bestowed upon him, Soares said he felt "at home."

The Uruguayan and Portuguese presidents also inaugurated an exhibition in honor of [Portuguese Poet] Luis de Camoens, and attended a folk dance exhibition by the Portuguese Representation Office ballet company. Soares was also greeted by members of the Portuguese community residing in Montevideo.

Soares' six-hour state visit to Uruguay will end with a working luncheon hosted by President Sanguinetti at San Juan de Anchorena ranch on the outskirts of Colonia.

The Portuguese head of state and his entourage will subsequently return to Buenos Aires.

Venezuela

Guyanese President Meets Caldera, Vows To Strengthen Ties

PA1810192195 Caracas Venezolana de Television Network in Spanish 1545 GMT 16 Oct 95

[FBIS Translated Text] Venezuela and Guyana will seek to strengthen their relations not only because they are neighboring countries but because they are brotherly countries whose fates are closely related. Guyanese President Cheddi Jagan made the aforementioned remarks in a meeting he held with the Venezuelan president. In this meeting, which lasted less than one hour, the issue of the disputed territory was not discussed.

Following the Caribbean States Association summit held last August, when Guyana expressed its interest to reopen formal talks to delimit the disputed area, a pronouncement on the matter was expected. However, the visit of Cheddi Jagan was more for personal than official business. Therefore, the Essequibo border dispute will be discussed at later meetings.

[Begin unidentified woman recording] We are both good friends. We have shared numerous experiences and agreed to continue sharing experiences, as old politicians. Additionally, we decided to see how we can strengthen and improve the contacts existing between our two countries at all levels, because we are not only neighbors but, since we are neighbors, we must be brothers and work together to benefit our two peoples. [end recording]

Interior Minister: 70 Percent Reject Idea of Coup

PA1710160995 Caracas Venezolana de Television Network in Spanish 1550 GMT 13 Oct 95

[From "The News" newscast]

[FBIS Translated Text] Interior Minister Ramon Escovar Salom has said there are no conditions for a coup

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d'etat, adding that the government should investigate the origin of the rumors that circulated in the last few days. The minister highlighted that the wave of rumors is aimed at creating a destabilizing atmosphere, the objective of which is to discredit the image of Venezuela abroad, at the time the government is making a big effort to conclude negotiations with multilateral organizations.

Regarding the disturbances that occurred in last Tuesday's march, Escovar Salom stated that the Disip [Directorate of Intelligence and Prevention Services] is conducting the investigation. He remarked that those arrested are being investigated to determine their responsibility and apply the corresponding sanctions.

[Begin Escovar Salom recording] More than 70 percent of Venezuelans reject the idea of a coup d'etat or any form of violence. There are very small and insignificant groups, enemies of the national interest, which may perhaps be thinking of that. But the government will act very firmly should it be necessary.

At this time, I don't believe anything out of the ordinary is taking place. The country is calm. [end recording]

Roundup of Economic Developments Through 17 Oct

PA1710164995

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Venezuela monitored through 17 October.

The Central Bank of Venezuela, BCV, has allocated $900 million for exchange entities for the fourth quarter of 1995. Members of the Exchange Administration Board, JAC, have said approximately $2 billion are required to meet commitments for this period. According to JAC Coordinator Samuel Wilhelm, between 8,000 to 10,000 individuals have surpassed their $2,000 credit card limit for a total of $8 million. (Caracas ECONOMIA HOY in Spanish 10 Oct 95 p I-8)

At the inauguration of an ice cream plant in which Unilever invested $70 million, President Rafael Caldera announced that total foreign investments in Venezuela amounted to $508 million from January to September 1995. Caldera added that additional foreign investments worth $29 billion are expected, of which $24.4 billion will be used in the oil and gas sectors. (Caracas REPORTE DIARIO DE LA ECONOMIA in Spanish 11 Oct 95 p 8)

The Orocual project will allow Lagoven Inc. to recover some additional reserves of 21 million barrels of condensates (42 API degrees) and thus maintain a production of 10,000 daily barrels for 15 years. (Caracas EL GLOBO in Spanish 11 Oct 95 p E7)

Raul Alegrett, Minister of Agriculture and Livestock, announced that the Venezuelan Government and the World Bank have signed an agreement for a $90-million loan for the Agricultural Extension Program. This loan was not included in the Venezuela Agenda. (Caracas ECONOMIA HOY in Spanish 12 Oct 95 p 14)

Acting BCV President Hugo Romero said the BCV does not expect to modify interest rates right now, but will continue making a permanent review. According to BCV estimates, an increase of $810 million in foreign exchange for the private sector is expected during the last quarter of 1995. (Caracas EL GLOBO in Spanish 16 Oct 95 p E1)

Lagoven Inc. will produce some additional 56,000 daily barrels of crude oil from 68 new oil fields in Lake Maracaibo and Monagas State. During the first eight months in 1995, Lagoven Inc. produced some 34,000 daily barrels from 64 new oil fields in Lake Maracaibo. (Caracas EL UNIVERSAL in Spanish 14 Oct 95 p 2-14)

Caldera Praises Armed Forces' Role in Strengthening Peace

PA1610183995 Caracas Venezolana de Television Network in Spanish 0200 GMT 14 Oct 95

[From "The News" newscast]

[FBIS Translated Text] During the closing of the 10th meeting of admirals and officers in Maiquetia, President Rafael Caldera stressed the invaluable cooperation of the National Armed Forces in strengthening peace and the country's recovery.

[Begin Caldera recording] Confidence is being reestablished and I must state here, as I have done many times, that the Armed Forces have played a very important role in maintaining peace, strengthening institutions, and recovering confidence in the country, as shown in the interest of foreign investors who daily arrive seeking investment opportunities and bringing their financial and technological resources. They know that Venezuela is a country in which it is worthwhile to invest because there are great possibilities to produce and progress. [end recording]

French Guiana

Ariane Rocket Places Luxembourg Satellite Into Orbit

PA1910041595 Paris AFP in Spanish 0154 GMT 19 Oct 95

[FBIS Translated Text] Kourou, French Guiana, 19 Oct [date as received] (AFP)—The first direct numeric television satellite, the Astra-1E of Luxembourg's European

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Satellite Society (SES), was placed into orbit by the Ariane European rocket, which was launched from Kourou (French Guiana) Space Center on the evening of 18 October.

Originally scheduled for 14 October, the launch was postponed for five days in order to change, as a precaution, an electronic element of the rocket's "brain," after an anomaly in an identical element was found in the rocket being prepared for the next launch.

Weighing 3.01 kg, the Astra-1E is the fifth satellite of the SES, headquartered in Bastendorf (Luxembourg), and the first satellite to use full direct numeric television.

Built by the Hughes Space and Communications Company in El Segundo (California), the satellite will allow the retransmission of 54 to 108 television programs for 14 years with the help of its 18 Ku-wave relays.

The SES's objective is to conquer the French satellite television market. Beginning the first quarter of 1996, the Astra-1E will broadcast the programs of the Canal Plus/CanalSatellite channel and the Luxembourg Television Broadcast Company (CLT) in French.

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